

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For The Fiscal Year Ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For The Transition Period From To

Commission file number 001-13795

AMERICAN VANGUARD CORPORATION

Delaware

(State or other jurisdiction of
Incorporation or organization)

4695 MacArthur Court, Newport Beach, California
(Address of principal executive offices)

95-2588080

(I.R.S. Employer
Identification Number)

92660
(Zip Code)

(949) 260-1200

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.10 par value	AVD	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15 (d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the voting stock of the registrant held by non-affiliates is \$111.1 million. This figure is estimated as of June 30, 2025 at which date the closing price of the registrant's Common Stock on the New York Stock Exchange was \$3.92 per share. For purposes of this calculation, shares owned by executive officers, directors, and 5% stockholders known to the registrant have been deemed to be owned by affiliates. This calculation does not reflect a determination that certain persons are affiliates of the registrant for any other purpose. The number of shares of \$0.10 par value Common Stock outstanding as of June 30, 2025, was 28,863,241. The number of shares of \$.10 par value Common Stock outstanding as of February 20, 2026 was 28,539,562.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive proxy statement relating to its 2026 annual meeting of shareholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. The Registrant's definitive proxy statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

AMERICAN VANGUARD CORPORATION

ANNUAL REPORT ON FORM 10-K
December 31, 2025

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AMERICAN VANGUARD CORPORATION

(Dollars in thousands, except per share data)

PART I

Unless otherwise indicated or the context otherwise requires, the terms "Company," "we," "us," and "our" refer to American Vanguard Corporation and its consolidated subsidiaries ("AVD").

The Company, from time-to-time, may discuss forward-looking statements including assumptions concerning the Company's operations, future results and prospects. Generally, "may," "could," "will," "would," "expect," "believe," "estimate," "anticipate," "intend," "continue" and similar words identify forward-looking statements. Forward-looking statements appearing in this report are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on our current expectations and are subject to risks and uncertainties that can cause actual results and events to differ materially from those set forth in or implied by the forward-looking statements and related assumptions contained in the entire report. Such factors include, but are not limited to: changes in environmental, governmental, or other regulations; U.S. Environmental Protection Agency ("USEPA") preliminary findings and related public statements and registration review and petitions; product and environmental liability; pesticide and per- and polyfluoroalkyl substances ("PFAS") legislation, lawsuits, and challenges; the Company's dependence on suppliers; global supply chain; tariffs; tax laws, treaties, or similar regulations; artificial intelligence ("AI"); global economy fluctuations and volatility; weather conditions; the Company's new debt structure; the Company's ability to borrow under our credit facility; customer prepayments; impairments; cybersecurity events; capacity and supply utilization, including any constraints or difficulties; inflation trends; investment in foreign businesses; the Company's acquisitions; generic competitors; customer base; product demand and market acceptance risks; the effect of economic conditions; weather conditions; changes in regulatory policy; the impact of competitive products and pricing; changes in foreign exchange rates; product development and commercialization difficulties; capacity and supply constraints or difficulties; availability of capital resources given that interest rate and inflation affect the debt market; the impact of, and our ability to, remediate the identified material weaknesses in our internal controls over financial reporting; the ability to implement business improvement initiatives successfully and general business regulations, including taxes and other risks as detailed from time-to-time in the Company's reports and filings filed with the U.S. Securities and Exchange Commission ("SEC"). It is not possible to foresee or identify all such factors. We urge you to consider these factors carefully in evaluating the forward-looking statements contained in this report. You should evaluate all forward-looking statements made in this Form 10-K in the context of the risks and uncertainties disclosed in Part I, Item 1A of this Form 10-K under the heading "Risk Factors," in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations," and in Item 7A "Quantitative and Qualitative Disclosures About Market Risk."

The forward-looking statements included in this Form 10-K are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law. If we do update one or more forward-looking statements, no inference should be made that we will make additional updates with respect to those or other forward-looking statements.

All dollar amounts reflected in the consolidated financial statements are expressed in thousands, except per share data.

Solely for convenience, certain trademark and service marks referred to in this Annual Report on Form 10-K appear without the ® or ™ symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights to these trademarks and service marks. This Annual Report on Form 10-K may also contain additional trademarks or service marks of other companies, which are the property of their respective owners.

References to our website throughout this Annual Report on Form 10-K are provided for convenience only and the content on our website does not constitute a part of, and shall not be deemed incorporated by reference into, this Annual Report on Form 10-K.

ITEM 1 BUSINESS

American Vanguard Corporation (“AVD”) was incorporated under the laws of the State of Delaware in January 1969 and operates as a holding company. The Company conducts its business through its principal operating subsidiaries, including AMVAC Chemical Corporation (“AMVAC”) for its domestic business and AMVAC Netherlands BV (“AMVAC BV”) for its international business.

The operating subsidiaries in the U.S. include: AMVAC, GemChem, Inc. (“GemChem”), TyraTech Inc. (“TyraTech”) and OHP Inc. (“OHP”).

Internationally, the Company operates its business through the following subsidiaries: AMVAC BV, AMVAC Hong Kong Limited (“AMVAC Hong Kong”), AMVAC Mexico Sociedad de Responsabilidad Limitada (“AMVAC M”), AMVAC de Costa Rica Sociedad de Responsabilidad Limitada (“AMVAC CR Srl”), Grupo AgriCenter (including the parent AgriCenter S.A. and its subsidiaries) (“AgriCenter”), AMVAC do Brasil Representações Ltda (“AMVAC do Brasil”), AMVAC do Brazil 3p LTDA (“AMVAC 3p”), American Vanguard Australia PTY Ltd (“AVD Australia”), AgNova Technologies PTY Ltd (“AgNova”), and the Agrinos group entities (“Agrinos”).

As we ended 2025, we have made the determination that the AMVAC BV/AMVAC Hong Kong Limited structure is no longer a necessary operating structure. During the final quarter of 2025, that structure has been effectively removed from operating the international businesses. Both the shareholdings in those businesses and the subsidiary international businesses are being reviewed and will be addressed in 2026.

The Company has one reportable segment.

AMVAC is a California corporation that traces its history from 1945 and is a manufacturer of chemical, biological and biorational products that develops and markets solutions for agricultural, commercial and consumer uses. It synthesizes and formulates chemicals and ferments and extracts microbial products for crops, turf, ornamental plants, and human and animal health protection. These products, which include insecticides, fungicides, herbicides, soil health, plant nutrition, molluscicides, growth regulators, soil fumigants, and biorationals, are marketed in liquid, powder, and granular forms. AMVAC primarily synthesizes, formulates, and distributes its own proprietary products or custom manufactures, formulates or distributes for others. In addition, the Company has carved out a leadership position in closed delivery systems, through the offering of certain of its products in SmartBox Plus, Lock ‘n Load and EZ Load systems. AMVAC has historically expanded its business through both the acquisition of established chemistries, and the development and commercialization of new formulations or compounds through licensing arrangements.

AMVAC BV is a Netherlands Corporation that was established in 2012 and is based in the Netherlands. AMVAC BV sells products both directly and through its network of subsidiaries in various international territories.

The Company did not complete any acquisitions during 2025 and 2024. During 2023, the Company completed the acquisition of Punto Verde S.A. Punversa (Punto Verde), a well-established distributor in Guayaquil, Ecuador, to strengthen its product portfolio and market access in the Latin American region.

Strategic Direction and Major Initiatives

During 2025, with a strengthened management team operating under the mantra “Simplify, Prioritize and Deliver”, AVD took enterprise-wide measures to improve growth and profitability. What had begun in 2024 with the help of outside consultants was implemented by the management team as a business improvement plan that included driving down supply chain costs, optimizing manufacturing, establishing strategic go-to-market approaches and redefining the organizational structure. In effect, the Company has taken deliberate measures to control those things that it can control. This proved to be especially important in light of weakened market conditions during 2025. In spite of the market, thanks in part to the business improvement plan, gross margin percentages improved significantly year-over-year and the Company’s operating expenses decreased both as a percent of sales and on an absolute basis. With a leaner, more efficient platform, the Company is poised to generate greater profitability as market conditions stabilize and improve.

Seasonality

The agricultural chemical industry, in general, is cyclical in nature. The demand for AVD's products tends to be seasonal. Seasonal usage, however, does not necessarily follow calendar dates, but more closely follows growing patterns, weather conditions, geography, weather related pressure from pests and customer marketing programs. Further, growing seasons vary by geographical region; thus, there is no single seasonal cycle affecting our sales. Rather, multiple seasons transpire over the course of the calendar year.

Backlog

AVD primarily sells its products based on purchase orders. The purchase orders are typically fulfilled within a short time frame. As a result, backlog is not considered a significant factor of, or a valid metric for, AVD's business. In 2025 and 2024, the Company has been impacted by customers preferring to buy smaller quantities closer to the time of use, preferring to rely on suppliers to hold inventory in readiness to respond to orders.

Customers

The Company's largest three customers accounted for 13%, 12%, and 12% of the Company's sales in 2025; 14%, 13%, and 11% in 2024; and 15%, 14% and 8% in 2023.

Distribution

In the U.S. AMVAC predominantly distributes its products through national distribution companies and buying groups or co-operatives, which purchase AMVAC's goods on a purchase order basis and, in turn, sell them to retailers/growers/end-users.

Internationally, the Company has sales offices or wholly owned distributors in Central and South America, Australia, New Zealand and India, and sales force executives or sales agents in several other territories. The Company's domestic and international distributors and agents typically have long-established relationships with retailers/end-users, far-reaching logistics and transportation capabilities, and/or customer service expertise. The markets for AVD's products vary by region, target crop, use and type of distribution channel. AVD's distributors and agents are experienced at addressing the needs of these various markets.

Competition

In its many marketplaces, AVD faces competition from both domestic and foreign manufacturers. Many of our competitors are larger and have substantially greater financial and technical resources than AVD. AVD's capacity to compete depends on its ability to develop additional formulations of our proven grower solutions and/or expand its product lines, geographic footprint and customer base. AVD competes principally based on quality, product efficacy, price, technical service and customer support. In some cases, AVD has positioned itself in smaller niche markets, which are no longer addressed by larger companies. In other cases, for example in the Midwest corn and soybean markets, the Company competes directly against larger competitors.

Manufacturing

The Company operates a total of six manufacturing facilities (see Item 2, Properties). At four of these facilities or at the facilities of third-party formulators in the U.S. and at various international locations, the Company synthesizes many of the technical grade active ingredients that are in its end-use products, and formulates and packages its end-use products. The other two facilities are biological fermentation sites, one site in the U.S. and one in Mexico. Further, the Company has a certain biological product manufactured under a long-term arrangement at a third-party facility in India.

Raw Materials

AVD utilizes numerous companies to supply the various raw materials and components used in manufacturing its products. Many of these materials are readily available from domestic sources. In instances where there is a single source of supply, AVD seeks to secure its supply by either long-term (multi-year) arrangements or purchasing on long lead times from its suppliers. Further, where the availability or cost of certain raw materials may be subject to the effect of tariffs and/or supply chain disruption, the Company may order goods at times or in volumes out of the ordinary course to optimize pricing and to ensure supply.

Intellectual Property

AVD's proprietary product formulations are protected, to the extent possible, as trade secrets and, to a lesser extent, by patents. Certain of the Company's closed delivery systems are patented, and the Company has both pending and issued patents relating to its equipment portfolio. In addition, the Company owns multiple issued patents relating to both its low-impact Envance solutions as well as its Agrinos biological and microbial solutions. We have also developed our intellectual property portfolio by registering our trademarks and service marks. The Company believes that AVD's trademarks bring value to its products in both domestic and foreign markets. AVD considers that, in the aggregate, its product registrations, trademarks, licenses, customer lists and patents constitute valuable assets. The Company does not regard its current business as being materially dependent upon any single product registration, trademark, license, or patent.

EPA Registrations

In the U.S., AVD's products also receive protection afforded by the terms of the Federal Insecticide, Fungicide and Rodenticide Act ("FIFRA"), pursuant to which it is unlawful to sell any pesticide in the U.S., unless such pesticide has first been registered by the U.S. Environmental Protection Agency ("USEPA"). Most of the Company's products that are sold in the U.S. are subject to USEPA registration and periodic re-registration requirements and are registered in accordance with FIFRA. This registration by USEPA is based, among other things, on data demonstrating that the product will not cause unreasonable adverse effects on human health or the environment, when used according to approved label directions. In addition, each state requires a specific registration before any of AVD's products can be marketed or used in that state. State registrations are predominantly renewed annually with a smaller number of registrations that are renewed on a multiple year basis.

Similarly, all foreign countries in which we have registered products have their own regulatory laws and agencies which, like those in the U.S., require the submission of data to demonstrate that the subject products will not cause unreasonable adverse effects on human health or the environment. Some regions, such as the EU, follow a hazard-based approach, in which the cognizant agency typically evaluates a product based upon whether a less hazardous alternative is available, notwithstanding potential benefits. Many foreign agencies recognize data submissions in the form of international dossiers. Nevertheless, the laws governing registration, maintenance and expansion of our products vary from region to region.

In addition, certain of the Company's biological products are labeled organic under the Organic Materials Review Institute ("OMRI"), Washington State Department of Agriculture ("WSDA") and/or California Department of Food and Agriculture ("CDFA") and, as such, are subject to the requirements of those certification standards, including with respect to raw materials and processes. As is the case with synthetic products, these biological products are also subject to specific labeling requirements that may vary from state to state.

The USEPA, state, and foreign agencies have required, and may require in the future, that certain scientific data requirements be performed on registered products sold by AVD. AVD, on its own behalf and in joint efforts with other registrants, has furnished, and is currently furnishing, required data relative to specific products. Under FIFRA, the federal government requires registrants to submit a wide range of scientific data to support U.S. registrations, including in the case of adding labeled uses. This requirement results in operating expenses in such areas as regulatory compliance, with USEPA and other such bodies in the markets in which the Company sells its products. In addition, at times, the Company is required to generate new formulations of existing products and/or to produce new products in order to remain compliant. The Company recorded expenses in the amounts of \$16,119, \$18,086 and \$21,833, during 2025, 2024 and 2023, respectively, on these activities. The costs are included within Research, Product Development and Regulatory in the Company's consolidated statements of operations.

	2025	2024	2023
Registration	\$ 11,261	\$ 11,934	\$ 14,498
Product development	4,858	6,152	7,335
Total	<u>\$ 16,119</u>	<u>\$ 18,086</u>	<u>\$ 21,833</u>

Environmental

American Vanguard is committed to be a part of the global solution to reduce the overall impact on the environment through our focused improvement efforts that minimize energy consumption, greenhouse gas emission, waste generation, and water consumption at our manufacturing and laboratory facilities. We cover our commitment and the specifics of our environmental stewardship program in our 2025 Corporate Sustainability Report, which can be found on the Company's website.

AMVAC is subject to numerous federal and state laws and governmental regulations concerning environmental matters and employee health and safety at its six manufacturing facilities. The Company continually adapts its manufacturing process to the latest environmental control standards of the various regulatory agencies. The USEPA and other federal and state agencies have the authority to promulgate regulations that could have a material impact on the Company's operations.

AMVAC expends substantial effort to minimize the risk of discharge of materials in the environment and to comply with the governmental regulations relating to protection of the environment. Wherever feasible, AMVAC recovers and recycles raw materials and increases product yield in order to partially offset increasing pollution abatement costs.

The Company is committed to a long-term environmental protection program that reduces emissions of hazardous materials into the environment, as well as to the remediation of identified existing environmental concerns.

Human Capital Resources

We believe that, beyond being essential to our operations, our people have inestimable worth independent of our business. As outlined in our Human Rights Policy (see, www.american-vanguard.com under ESG tab), we believe that it is fundamental to our corporate responsibility and, indeed, to our humanity, that we recognize, respect and nurture the freedom and dignity of all persons. Accordingly, we have insinuated that belief throughout the fabric of our operations in our approach toward our employees. Indeed, the first two core values underlying our commitment to sustainability (see, Update to Corporate Sustainability Report, www.american-vanguard.com under ESG tab) are "Safety First" – which is a culture that begins with highly-regulated manufacturing plants, continues into the design of science-backed products and extends into market-leading delivery systems – and "Making a Difference" – under which, by rewarding achievement and giving our employees a voice, we attract diverse employees who want to make a difference in their careers, in the company and in the communities that we serve.

The Company's Chief Human Resources Officer leads our Human Capital program, which consists of the following elements:

- *Board Oversight* – through our Nominating and Corporate Governance Committee ("N&CG"), our board of directors oversees human capital-related risks and opportunities. Annually, the N&CG Committee requires that management provides an update on succession planning for key executives, emphasizing a forward-looking approach with a commitment to strategic leadership planning. We are developing Human Capital programs that drive a culture of performance and engagement.
- *Strategy* – the Company's human capital strategy has two primary elements: employee engagement and providing them with competitive benefits (including an outstanding health benefits plan). As we have covered in our 2025 Corporate Sustainability Report, our Company is a destination for highly qualified employees who are drawn to a workplace where they can make a difference. Our management philosophy prioritizes collaborative and consistent execution to fulfill our commitments, fostering a performance-driven culture. This strategic approach has empowered the company to optimize retention, even amidst the challenges of a competitive employment market.
- *Compensation* – as highlighted in our strategy, compensation is a pivotal component of our human capital approach. We consistently motivate our workforce through competitive compensation and comprehensive welfare benefits. Additionally, we proactively educate our employees on the totality of their compensation, encompassing wages, stock-based compensation arrangements, health benefits, and paid time off.

- *Employee Engagement*—our management style emphasizes growth, accountability, and shared ownership by encouraging employees to contribute ideas that advance the business and involving them in the execution of these ideas. Through clear career paths, development opportunities, and recognition of successful contributions, we reinforce the connection between individual impact and long-term value creation.

The Company employed 739 employees as of December 31, 2025. From time to time, due to the seasonality of its business, AVD uses temporary contract personnel to perform certain duties primarily related to packaging of its products. None of the Company's employees are subject to a collective bargaining agreement. The Company believes it maintains positive relations with its employees.

Domestic operations

AMVAC is a California corporation that was incorporated under the name of Durham Chemical in August 1945. The name of the corporation was subsequently changed to AMVAC in January 1971. As the Company's main operating subsidiary, AMVAC owns and/or operates the Company's domestic manufacturing facilities, including its research center located at 2110 Davie, Commerce, California. AMVAC manufactures, formulates, packages and sells its products in the U.S. and is a wholly owned subsidiary of AVD.

GemChem is a California corporation that was incorporated in 1991 and was subsequently purchased by the Company in 1994. GemChem mainly sells into the pharmaceutical, cosmetic and nutritional markets. GemChem is a wholly owned subsidiary of AVD.

On October 2, 2017, AMVAC purchased substantially all the assets of OHP, a domestic distribution company specializing in products for the turf and ornamental market. OHP markets and sells end use products for third parties, either under third-party brands or else as its own label products.

TyraTech Inc., which became a wholly owned subsidiary of the Company on November 9, 2018, has the rights to develop and commercialize pesticide products and technologies based on its intellectual property. Products are made from natural oils and are marketed in global consumer, commercial, professional, crop protection and seed treatment markets. Tyratech takes products to market primarily by licensing its intellectual property to third parties.

International operations

AMVAC BV is a registered Dutch private limited liability company that was formed in July 2012 to manage foreign sales on behalf of the Company. AMVAC BV is located in the Netherlands and is a wholly owned subsidiary of AMVAC Hong Kong. AMVAC Hong Kong is a wholly owned subsidiary of AMVAC. As part of the Company's transformation efforts, the Company determined that it is more efficient for AMVAC to manage its international sales directly rather than through AMVAC BV. AMVAC started to manage its international sales in the fourth quarter of 2025. During 2025, 2024, and 2023, the international business sold the Company's products in 41 countries (2025) and 45 countries (2024 and 2023).

AMVAC M is a wholly owned subsidiary of AMVAC BV and was originally formed in 1998 (as Quimica Amvac de Mexico S.A. de C.V and subsequently changed to AMVAC Mexico Sociedad de Responsabilidad Limitada "AMVAC M") to conduct the Company's business in Mexico.

On October 27, 2017, AMVAC BV purchased 100% of the stock of AgriCenter with subsidiaries located in Costa Rica, Panama, Nicaragua, Honduras, the Dominican Republic, Mexico, Guatemala, and El Salvador. AgriCenter markets, sells and distributes end-use chemicals, including the Company's own products, and biological products throughout Central America primarily for crop applications.

On January 10, 2019, AMVAC BV acquired 100% of the stock of Agrovant and Defensive, two distribution companies based in Brazil. Agrovant and Defensive marketed and distributed crop protection products and micronutrients with focus on the fruit and vegetable market segments throughout Brazil. On December 31, 2020, Agrovant and Defensive merged and the Company renamed the resulting entity AMVAC 3P.

On October 8, 2020, AVD Australia acquired 100% of the stock of AgNova, an Australian company that sources, develops, and distributes specialty crop protection and production solutions for agricultural and horticultural producers, and for selected non-crop users.

On October 2, 2020, the Company’s principal operating subsidiary, AMVAC, completed the purchase of all outstanding shares of Agrinos and certain intellectual property rights. Agrinos is a fully integrated biological input supplier with proprietary technology, manufacturing, and global distribution capabilities and has operating entities in the U.S., Mexico, India, Brazil, China, Ukraine, and Spain.

On July 27, 2023, AgNova established a new subsidiary in New Zealand called AgNova Technologies NZ Limited (“AgNova NZ”). This new entity is a wholly owned subsidiary of AgNova and was created to expand our business in the Australasia region.

On October 5, 2023, AgriCenter acquired Punto Verde, an Ecuadorian company that distributes crop protection products primarily in Ecuador.

The Company classifies as international sales all products bearing foreign labeling shipped to a foreign destination.

	2025	2024	2023
International sales	\$ 203,433	\$ 236,579	\$ 234,855
Percentage of net sales	39.5%	43.2%	40.5%

Available Information

The Company makes available free of charge (through its website, www.american-vanguard.com), its Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with the Securities and Exchange Commission (“SEC”). All reports filed with the SEC are available free of charge on the SEC website, www.sec.gov. The Company’s Internet website and the information contained therein or incorporated therein are not intended to be incorporated into this Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

Regulatory/ Supply Chain/Other Risks

Compliance with environmental and other regulations or changes in such regulations or regulatory enforcement priorities could increase our cost of doing business or limit our ability to market all our products. All pesticide products sold in the United States must comply with FIFRA and most must be registered with the U.S. EPA and similar state agencies. Our inability to obtain or maintain such registrations, or the cancellation of any such registration of our products, could have an adverse effect on our business, the severity of which would depend on a variety of factors, including the product(s) involved, whether another product could be substituted and whether our competitors were similarly affected. Various agencies within the U.S. (both federal and state) and foreign governments continue to exercise increased scrutiny in permitting continued uses (or the expansion of such uses) of many chemistries, including several of the Company’s products and, in some cases, have initiated or entertained challenges to these uses. There is no guarantee that this regulatory climate will change in the near term or that the Company will be able to maintain or expand the use of many of its products in the face of such regulatory challenges.

Public statements made by USEPA regarding their preliminary findings in connection with the registration review of DCPA could expose the Company to future claims for personal injury which, in turn, could adversely affect the Company’s financial performance. In connection with USEPA’s review of the registration of DCPA products (herbicides used on high-value vegetables), based upon a single comparative thyroid assay study (which is comparatively rare and complex), the USEPA found an adverse effect upon neonate rodents. Consequently, in June 2024, the agency published preliminary findings, noting its concern that based upon current, permitted use patterns, the product could have an adverse effect upon human health. Accordingly, out of an abundance of caution, on August 19, 2024, the Company filed a notice of voluntary cancellation of DCPA registration. In spite of the Company’s voluntary efforts to mitigate risk and the absence of any known injury, USEPA has published multiple press releases in which it has repeatedly warned users of potential risk in using the product. Due to USEPA’s public statements, the Company was unable to obtain product liability insurance coverage for claims relating to DCPA for the period postdating the renewal date of September 15, 2024. There is no guarantee that the agency’s statements

will not result in future claims and/or lawsuits arising from alleged exposure to DCPA. Further, such claims and/or lawsuits could have a material adverse effect upon the Company's financial performance.

Several of the Company's organophosphates are subject to a petition to revoke tolerances under the FFDCa which, if granted, could result in the limitation and/or cancellation of one or more registrations for such products. Presently, several of the Company's organophosphate products are under registration review before the USEPA and, at the same time, subject to a petition to revoke tolerances under the Federal Food, Drug, and Cosmetic Act ("FFDCA"). The Company continues to provide data and other analysis to USEPA in support of its registrations and in response to that agency's requests for clarification. Pursuant to a petition filed by NGOs NRDC and PANNA in 2007, USEPA revoked tolerances for chlorpyrifos (an OP not sold by the Company) finding that food residues from that product could not be deemed with reasonable certainty to cause no harm. Consequently, the agency cancelled the registrations for chlorpyrifos. The cancellation was appealed and subsequently overturned by the Eighth Circuit Court of Appeal in 2023, which noted that the agency had exceeded its authority in canceling even uses that had been shown to be within applicable safety tolerances. That said, there is no guarantee that USEPA will not make a similar finding with respect to one or more of the Company's OPs, and that some or all uses of the Company's OP products could be limited or cancelled. Accordingly, the Company intends to take all action necessary to defend its registrations. Such limitations and/or cancellations could have a material adverse effect on the Company's financial performance in future reporting periods.

Product liability judgments on glyphosate and cases involving other pesticides by domestic courts present a litigation risk to companies in this industry. Multiple judgments have been rendered by domestic courts in product liability cases against Bayer/Monsanto in connection with injuries allegedly arising from exposure to the herbicide product, glyphosate. The basis was purported carcinogenicity based largely upon the findings of a certain international organization, despite significant scientific evidence to the contrary. While the Company does not sell glyphosate, the theory of these results could put one or more of the Company's products at risk. There is no guarantee that one or more product liability actions would not be brought against the Company on a similar basis, and it is possible that adverse rulings in any such actions could have a material adverse effect on the Company's financial performance in future reporting periods.

The trend of passing pesticide "ban-bills" in various states could put one or more of the Company's products at risk. In certain states, including Maryland and New York, state and/or local legislatures have passed legislation banning the use of specific pesticides, such as chlorpyrifos, or pesticides in general, in spite of valid registrations at USEPA and/or the equivalent state agency. Further, despite the fact that some states have passed shield laws to limit failure-to-warn cases for EPA-approved pesticides, the federal circuit courts are split on the question of whether FIFRA pre-empts state failure-to-warn claims. This question is now before the US Supreme Court. While the Company does not sell chlorpyrifos products, there is no guarantee that one or more of its registered products will not be targeted in state or local legislation of this nature or that FIFRA pre-emption will be upheld by the Supreme Court. Further, such legislation could have a material adverse effect on the Company's financial performance in future reporting periods.

PFAS lawsuits and legislation continue to spread among many states. Over the course of the past few years, many states have introduced or passed legislation limiting the use of products or packaging containing PFAS (per- and polyfluoroalkyl substances). Further, litigation relating to PFAS has grown dramatically. The definition of what compounds are contained within the ambit of "PFAS" varies from state to state. While the Company does not sell products that contain PFAS, there is no guarantee that the Company or its products will not be brought either into legal actions or within the scope of legislation.

Use of the Company's products is subject to continuing challenges from activist groups. Use of agrochemical products, including the Company's products, is regularly challenged by activist groups in many jurisdictions under a multitude of federal, state and foreign statutes, including FIFRA, the Food Quality Protection Act, Endangered Species Act ("ESA") and the Clean Water Act, to name a few. These challenges typically take the form of lawsuits or administrative proceedings against the USEPA and/or other federal, state or foreign agencies, the filing of amicus briefs in pending actions, the introduction of legislation that is inimical to the Company's interests, and/or adverse comments made in response to public comment invited by regulatory agencies in the course of registration, re-registration or label expansion. The most prominent of these actions include a line of cases under which environmental groups have sought to suspend, cancel or otherwise restrict the use of pesticides that have been approved by USEPA on the ground that that agency failed to confer with the National Marine Fishery Service and/or the Fish and Wildlife Service under the ESA with respect to biological opinions relating to the use of such products. While industry has been active in defending registrations and proposing administrative and legislative approaches to

address serious resource issues at the affected agencies, these cases continue to be brought. It is possible that one or more of these challenges could succeed, resulting in a material adverse effect on the Company's financial performance in future reporting periods.

The Company is dependent upon sole source or a limited number of suppliers for certain of its raw materials and active ingredients. There are a limited number of suppliers of certain important raw materials used by the Company in a number of its products. Certain of these raw materials are available solely from single or very few sources either domestically or overseas. There is no guarantee that any of our suppliers will be willing or able to supply products to the Company reliably, continuously and at the levels anticipated by the Company or required by the market. If these sources prove to be unreliable and the Company is not able to supplant or otherwise second source these products, it is possible that the Company will not achieve its projected sales which, in turn, could have a material adverse effect on the Company's financial performance in future reporting periods.

Our business, financial condition and results of operations could be materially affected by disruptions in the global supply chain, including risks associated with sourcing and manufacturing outside of the U.S. and risks from tariffs and/or international trade wars. Despite improvement in container availability and freight costs, the global supply chain continues to present risk and create delays, unavailability of raw materials and adverse conditions for our industry. Industry consolidation, coupled with longer-term production commitments, has materially affected the Company's supply of raw materials and intermediates in the past. Military conflict or related geopolitical tensions and disputes including increased tariffs, trade barriers or restrictions on global trade could result in further supply disruptions and changes to foreign exchange rates and financial markets, any of which could adversely affect our business and supply chains. There is no guarantee that supply chain conditions will materially improve or that the Company will avoid material disruption. Such disruption could have a material adverse effect on the Company's financial performance in future reporting periods.

The manufacturing of the Company's products is subject to governmental regulations. The Company currently owns and operates six manufacturing facilities which are located in Commerce, California; Axis, Alabama; Hannibal, Missouri; Marsing, Idaho; Clackamas, Oregon; and Etchojoa, Mexico (the "Facilities"). The Facilities operate under the laws and regulations imposed by relevant country, state and local authorities. The manufacturing of key ingredients for certain of the Company's products occurs at the Facilities. An inability to renew or maintain a license or permit, or a significant increase in the fees for such licenses or permits, could impede the Company's manufacture of one or more of its products and/or increase the cost of production; this, in turn, would materially and adversely affect the Company's ability to provide customers with its products in a timely and affordable manner.

Tariffs continue to cause disruption within the Company's markets. Over the past year there has been a great deal of activity involving the raising and lowering of tariffs by the current U.S presidential administration. This activity, which has included both sudden announcements of new tariffs and complete reversals within short periods of time, has created an atmosphere of uncertainty within the agricultural economy and affected both international markets for domestic crops and the cost of crop inputs for domestic growers. In spite of the recent Supreme Court decision finding that some set of these tariffs was unconstitutional, there is no guarantee that the pattern of declaring, raising and/or reducing tariffs will not continue for the remainder of the term of the U.S. presidential administration or beyond. This activity has had and may continue to have an adverse effect upon the Company's financial performance.

A change in tax laws, treaties or regulations, or their interpretation or application, could have a negative impact on our business and results of operations. We operate in many different countries and in many states within the United States, and we are subject to changes in applicable tax laws, treaties or regulations in the jurisdictions in which we operate. A material change in these tax laws, treaties or regulations, or their interpretation or application, could have a material adverse effect on the Company's financial performance in future reporting periods.

Use of Artificial Intelligence could lead to the disclosure of sensitive information. At present, the Company's use of AI is limited to self-contained tools that assist, for example, in contract administration. While the Company does not depend upon AI tools linked to large language databases, there is a trend for users of publicly-available AI tools (including the Company's employees) to rely upon them for everyday functions (e.g., writing correspondence, making statistical and mathematical computations and doing research). The use of such tools in connection with Company business could lead to the uncontrolled disclosure of business-sensitive information being transmitted to AI companies. Such disclosure could have an adverse effect upon the Company's financial performance.

Our business is subject to fluctuations and volatility in the global economy. The Company's global business operations give rise to market risk exposure related to changes in inflation, foreign currency exchange rates, including the impact of foreign currency exchange rates resulting from highly inflationary economies interest rates, commodity prices and other market factors such as equity prices. In addition, any volatility and disruption of financial markets could limit the ability of our customers and suppliers to obtain adequate financing to maintain operations, which could result in a decrease in sales volume and have a negative impact on the Company's results of operations. If the Company fails to effectively manage such risks, it could have a negative impact on its results of operations.

The Company's business may be adversely affected by weather effects and commodity prices. Demand for many of the Company's products tends to vary with weather conditions and weather-related pressure from pests. Adverse weather conditions, then, may reduce the Company's revenues and profitability. In light of the possibility of adverse seasonal effects, there can be no assurance that the Company will maintain sales performance at historical levels in any particular region. Similarly, demand for the Company's products used in row crops tends to vary with the commodity prices of those crops, for instance, corn, soybeans and cotton. These prices may be driven in part by weather, pest pressure, the domestic farm economy and international markets (e.g., yield and pricing from similar crops grown in Brazil). There is no guarantee that the farm economy and row crop commodity prices will maintain sufficient strength and stability to support the Company's products at or above historical levels.

The Company may be subject to environmental liabilities. The Company is fully committed toward minimizing the risk of discharge of materials into the environment and to complying with governmental regulations relating to protection of the environment, its neighbors and its workforce. Nevertheless, federal and state authorities may seek fines and penalties for any violation of the various laws and governmental regulations. In addition, while the Company continually adapts its manufacturing processes to the latest environmental control standards of regulatory authorities, it cannot entirely eliminate the risk of accidental contamination or injury from hazardous or regulated materials. In short, the Company may be held liable for significant damages or fines relating to any environmental contamination, injury, or compliance violation which could have a material adverse effect on the Company's financial performance in future reporting periods.

Credit and Other Risks

The Company's new debt structure limits its liquidity, requires defined, minimum levels of financial performance and includes significant interest expense, and the Company may not be able to refinance on terms favorable to the Company or execute on business opportunities that may otherwise be advantageous to the Company.

The Company refinanced its debt structure in March 2026, replacing the existing revolving credit agreement with both a first lien, term loan of \$225,000 from lenders led by Centerbridge Partners, L.P. (with an initial interest rate of SOFR + 8.25), and a second lien, term loan of \$60,000 from lenders led by Bank of Montreal. The first lien, term loan includes financial covenants and liquidity minimums over its term. In the event of further market decline or other factors, there is no guarantee that the Company will record financial performance sufficient to cover the interest and principal payments under this debt structure, to meet the performance covenants or otherwise to generate the liquidity that is necessary to meet the Company's working capital needs. Failure to meet any or all of these requirements could have a material adverse effect upon the Company. There is also no guarantee that the Company will continue to generate earnings necessary to ensure that it has sufficient borrowing capacity to finance ongoing operations or to execute on business opportunities that may otherwise be advantageous to the Company. Furthermore, there is no guarantee that the Company will be able to obtain capital on equal or better terms than it has under the current debt structure.

The Company depends in part upon customer prepayments to meet its working capital needs. As is the case with other companies in this industry, the Company receives cash from certain major customers at year-end in exchange for granting discounts on the Company's products during the first half of the following year. The Company typically uses this cash to pay down secured debt and for other working capital needs. This flow of cash obviates the need for additional borrowing, which, in turn, preserves borrowing capacity used in part for paying customer programs at the end of the calendar year and, consequently, reduces interest expense. There is no guarantee that the Company's customers will continue to support the prepayment program at current levels. During 2025, the amount of prepay provided to the Company was significantly below that received in 2024. Material changes in this program, or customer response to the current program, could have an adverse effect on the Company's liquidity and its ability to meet working capital demands.

The carrying value of certain assets on the Company's consolidated balance sheets may be subject to impairment depending upon market trends and other factors. The Company regularly reviews the carrying value of certain assets, including long-lived assets, inventory, fixed assets and intangibles. Depending upon the class of assets in question, the Company takes into account various factors including, among others, sales, trends, market conditions, cash flows, profit margins and the like. Based upon this analysis, where circumstances warrant, the Company may leave such carrying values unchanged or adjust them as appropriate. There is no guarantee that these carrying values can be maintained indefinitely, and it is possible that one or more such assets could be subject to impairment which, in turn, could have a material adverse effect on the Company's financial performance in future reporting periods.

The Company's computing systems are subject to cyber security risks. In the course of its operations the Company relies on its computing systems, including access to the internet, the use of third-party applications and the storage and transmission of data through such systems. While the Company has implemented security measures to protect these systems, there is no guarantee that a third-party will not penetrate these defenses through hacking, phishing or otherwise and either compromise, corrupt or shut down these systems. In fact, the frequency of cybersecurity incidents continues to increase across many industrial sectors. Further, in the event of such incursion it is possible that confidential business information and private personal data could be taken and operations, including procurement, customer service, finance, and manufacturing, could be compromised. Such an event could adversely affect both the Company's ability to operate, its reputation with key stakeholders and its overall financial performance.

To the extent that capacity utilization is not fully realized at its manufacturing facilities, the Company may experience lower profitability. While the Company continuously endeavors to maximize utilization of its manufacturing facilities, our success in these endeavors is dependent upon many factors, including fluctuating market conditions, product life cycles, weather conditions in our key markets, availability of raw materials, manufacturing equipment performance, retention of the workforce and regulatory constraints, among other things. There can be no assurance that the Company will be able to maximize the utilization of its manufacturing facilities. Underutilization of such manufacturing resources could have a material adverse effect on the Company's financial performance in future reporting periods.

Domestic and regional inflation trends, increased interest rates and other factors could lead to the erosion of economies and adversely impact the Company. Both the US and many other countries continue to experience inflation, which, in turn, has led to increased costs in multiple industry segments, including agriculture and related industries. During 2025, the US made a series of interest rate cuts; however, there is no guarantee that these measures will materially arrest the inflationary trend. Further, these factors, taken together with reduced productivity and constraints on the labor supply, could lead to recessionary periods in the regions in which the Company does business. While the Company takes measures within its control to manage the effects of inflation, higher interest rates and other factors, ultimately they are outside of the Company's control. Further, the persistence and/or severity of one or more of them could have a material adverse effect on the Company's financial performance in future reporting periods.

Acquisition/Investment Risks

The Company's investment in foreign businesses may pose additional risks. With the expansion of its footprint internationally, the Company now carries on business at a material level in some jurisdictions that have a history of political, economic or currency-related instability and customers with a potentially higher risk profile regarding accounts receivable collectability, as compared to the Company's legacy business. While such instability may not be present at the current time, there is no guarantee that conditions will not change in one or more jurisdictions quickly and without notice, nor is there any guarantee that the Company would be able to recoup its investment in such territories in light of such changes and potential losses due to political factors, economic factors, devaluation of local currencies, or the collectability risk from customers. Adverse changes of this nature could have a material adverse effect on the Company's financial performance in future reporting periods.

The Company's growth has been fueled in part by acquisitions. Over the past few decades, the Company's growth has been driven primarily by acquisitions and licensing of both established and developmental products from third parties. There is no guarantee that acquisition targets or licensing opportunities meeting the Company's investment criteria will remain available or will be affordable. If such opportunities do not present themselves, then the Company may be unable to duplicate historical growth rates in future years.

The Company faces competition from generic competitors that source products from countries having lower cost structures. The Company continues to face competition from competitors around the globe that may enter the market through either offers to pay data compensation, or similar means in foreign jurisdictions, and then subsequently source material from countries having lower cost structures (typically India and China). These competitors typically tend to operate at thinner gross margins and, with low costs of goods, tend to drive pricing and profitability of subject product lines downward. There is no guarantee that the Company will maintain market share and pricing when facing such generic competitors, or that such competitors will not offer generic versions of the Company's products in the future.

The Company's customer base is relatively concentrated, with a small number of customers accounting for a significant portion of our sales. In 2025, our top three customers represented 36% of our sales, compared to 38% in 2024 and 37% in 2023. This concentration exposes us to potential risks, as any financial instability or changes in the purchasing behavior of these key customers could adversely impact our revenue. The reliance on such a limited number of customers makes us vulnerable to fluctuations in their financial health and could present challenges in maintaining consistent sales performance.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None

ITEM 1C. CYBERSECURITY

Risk Management & Strategy. AVD has adopted a comprehensive set of controls and processes to encourage a high level of awareness of, and responsiveness to, cybersecurity threats. The foundational document outlining the program is embodied in the Company's Enterprise Information Security Policy (the "REIS Policy"). The REIS Policy establishes a framework for the continuous monitoring of its computing resources, the maintenance and reporting of audit logs and the assessment of events that could form the basis of a threat. In addition, the REIS Policy sets forth requirements for employee awareness training, user authentication, software usage restrictions and boundary protection, among other things. The policy also establishes an incident response plan, including back-up hosting, alternate processing and system recovery, along with assignment of responsibility and resources for those activities. Within the exhibit of the REIS Policy, management either working alone or, in case of greater complexity, with consultants, will assess an incident or series of incidents for materiality, taking into account the nature of the incident, duration, the nature of data compromised, and the nature of damages (including with respect to reputational, third party, share price, and business interruption) and all within the context of the Company's financial performance during the affected reporting period(s).

Furthermore, AVD has taken measures to prevent cybersecurity breaches, to minimize threats and, to the extent possible, to anticipate trends and identify vulnerabilities before arising to the level of an incident. AVD has retained third party advisers to make a full assessment of its entire IT infrastructure with a focus on the security elements to ensure compliance as per applicable NIST standards. Further, under the direction of a recently hired VP of Information Systems, the Company has taken recent efforts to enhance its cybersecurity defenses. In short, AVD is pro-active in its approach and has formulated a specific plan to investigate, respond and minimize loss of functionality or other damage from an incident. There are no cybersecurity threats, including as a result of prior incidents, that have materially affected the Company, including our business strategy, results of operations or financial condition as of the date hereof to our knowledge.

Governance. The REIS Policy has been drafted in collaboration with one of the largest IT solutions providers in the field and was modeled after NIST standards relating to governance, documentation and processes. The Company is implementing the REIS Policy through its Cyber and Privacy Risk Steering Committee (the “CPRSC”), which is chaired by the Chief Administrative Officer (who is also AVD’s Risk Manager) and includes cross functional business process owners from operations, sales, marketing, finance and Human Resources, our recently-hired VP of Information Technology (whose 25+ years in this field includes extensive experience in cybersecurity at defense contractors). The VP of IT bears primary responsibility for managing and assessing the Company’s cybersecurity risks.

AVD’s Board of Directors maintains oversight of cybersecurity planning, response and reporting as follows. The Lead Director, Scott Baskin, who also serves as Chair of the Risk Committee and member of the Audit Committee, is Cybersecurity Liaison to AVD’s management team. The Chair of the CPRSC reports on cybersecurity preparedness, issues and incidents to the Cybersecurity Liaison regularly. Through this reporting structure, the cybersecurity team has direct interaction with the highest level of the Board and with both the Risk and Audit Committees. Cyber risk has been a subject of regular review and discussion at the Risk Committee for several years. With the advent of the CPRSC, the delineation of governance and responsibility has become that much more focused.

ITEM 2 PROPERTIES

AMVAC owns in fee simple the Facility constituting approximately 152,000 square feet of improved land in Commerce, California (“Commerce”) on which its West Coast manufacturing, some of its warehouse facilities and some of its manufacturing administrative offices are located.

AMVAC owns in fee simple approximately 72,000 square feet of warehouse, office and laboratory space on approximately 118,000 square feet of land in Commerce, California, which is leased to AMVAC. In 2013, the Company made a significant investment in the Glenn A. Wintemute Research Center, which houses the Company’s primary research laboratory supporting synthesis, formulation and other new product endeavors.

In 2001, AMVAC completed the acquisition of a manufacturing facility (the “Axis Facility”) from E.I. DuPont de Nemours and Company (“DuPont”). The Axis Facility was one of three such units located on DuPont’s 510-acre complex in Axis, Alabama. The acquisition consisted of a long-term ground lease of 25 acres and the purchase of all improvements thereon. The facility is a multi-purpose plant designed for synthesis of active ingredients and formulation and packaging of finished products. In 2018, FMC Corporation acquired from DuPont a business unit, which held, among other things, the Axis Facility. Prior to expiration of the lease, AMVAC and FMC negotiated the terms of a new lease, which has a term of 15 years and the option to renew for two, 5-year periods.

On December 28, 2007, AMVAC purchased certain manufacturing assets relating to the production of Thimet and Counter and located at BASF’s multi-plant facility situated in Hannibal, Missouri (the “Hannibal Site”). Subject to the terms and conditions of the Agreement, AMVAC purchased certain buildings, manufacturing equipment, office equipment, fixtures, supplies, records, raw materials, intermediates and packaging constituting the “T/C Unit” of the Hannibal Site. The parties entered into a ground lease and a manufacturing and shared services agreement, under which BASF continues to supply various shared services to AMVAC for the Hannibal Site.

On March 7, 2008, AMVAC acquired from Bayer CropScience Limited Partnership, (“BCS LP”), a U.S. business of Bayer CropScience GmbH, a facility (the “Marsing Facility”) located in Marsing, Idaho, which consists of approximately 17 acres of improved real property. The Marsing Facility is engaged in the blending of liquid and powder raw materials and the packaging of some of the Company’s finished goods inventory in liquid, powder and pelletized formulations which are sold both in the U.S. and internationally. In addition, during 2019, the Company purchased approximately three acres of unimproved real estate immediately adjacent to the Marsing Facility for potential storage and operational use in the future.

On October 2, 2020, AMVAC completed the purchase of all outstanding shares of Agrinos which is a fully integrated biological input supplier with proprietary technology, internal manufacturing, and global distribution capabilities. Its High Yield Technology® product platform works in conjunction with other nutritional crop inputs to increase crop yield, improve soil health and reduce the environmental footprint of traditional agricultural practices. Agrinos has two primary state of the art biological production facilities, one located in Clackamas, Oregon, and a second facility in Sonora, Mexico. The Clackamas and Sonora facilities are used as both manufacturing sites and operational centers for global supply chain and logistics.

AVD regularly adds chemical processing equipment to enhance or expand its production capabilities. The Company believes its facilities are in good operating condition, are suitable and adequate for current needs and have flexibility to change products. Facilities and equipment are insured against losses from fire as well as other usual business risks. The Company knows of no material defects in title to, or encumbrances on, any of its properties except that substantially all of the Company’s assets are pledged as collateral under the Company’s credit facility agreements with its lender group. For further information, refer to Note 3 of the Notes to the Consolidated Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K.

AVD sold its approximately 42 acres of unimproved land in Texas in 2025.

AVD leases approximately 19,953 square feet of office space located at 4695 MacArthur Court in Newport Beach, California. In 2020, the lease was amended and was extended to June 30, 2026. The premises have served as the Company’s corporate headquarters since 1995. AVD decided to move its headquarters to Irvine, California, in 2026.

The facilities occupied by GemChem, OHP, Envance and TyraTech (Envance and TyraTech are co-located), AMVAC BV, AMVAC M, AMVAC CR Srl, AgNova, Agrinos, AMVAC 3p and AgriCenter, consist of administration, development centers (in the case of Envance and TyraTech) and/or sales offices which are leased. In addition, AMVAC 3P leases warehouse space in Jaboticabal, Brazil.

ITEM 3 LEGAL PROCEEDINGS

Please refer to Note 5 – Litigation and Environmental of the Notes to the Consolidated Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K.

ITEM 4 MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5 MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Effective March 7, 2006, the Company listed its \$0.10 par value common stock ("Common Stock") on the New York Stock Exchange under the ticker symbol AVD. From January 1998 through March 6, 2006, the Common Stock was listed on the American Stock Exchange under the ticker symbol AVD. The Company's Common Stock traded on The NASDAQ Stock Market under the symbol AMGD from March 1987 through January 1998.

Holdings

As of February 20, 2026, the number of stockholders of the Company's Common Stock was approximately 11,634, which includes beneficial owners with shares held in brokerage accounts under street name and nominees.

Dividends

The Company did not pay any cash dividends in 2025. In 2024 and 2023, the Company declared and paid the following cash dividends:

Declaration Date	Record Date	Distribution Date	Dividend Per Share	Total Paid
June 10, 2024	June 26, 2024	July 10, 2024	0.030	840
March 11, 2024	March 27, 2024	April 10, 2024	0.030	835
Total 2024			\$ 0.060	\$ 1,675
December 15, 2023	December 29, 2023	January 12, 2024	\$ 0.030	\$ 834
September 12, 2023	September 22, 2023	October 6, 2023	0.030	834
June 12, 2023	June 28, 2023	July 14, 2023	0.030	848
March 13, 2023	March 24, 2023	April 14, 2023	0.030	851
Total 2023			\$ 0.120	\$ 3,367

Pursuant to the First Priority Term Agreement, the Company is prevented from paying cash dividends to shareholders, effective March 13, 2026.

Share Repurchase Programs

The Company periodically repurchases shares of its common stock under board-authorized repurchase programs through a combination of open market transactions and accelerated share repurchase ("ASR") arrangements. The Company did not repurchase any of its common stock during the twelve months ended December 31, 2025.

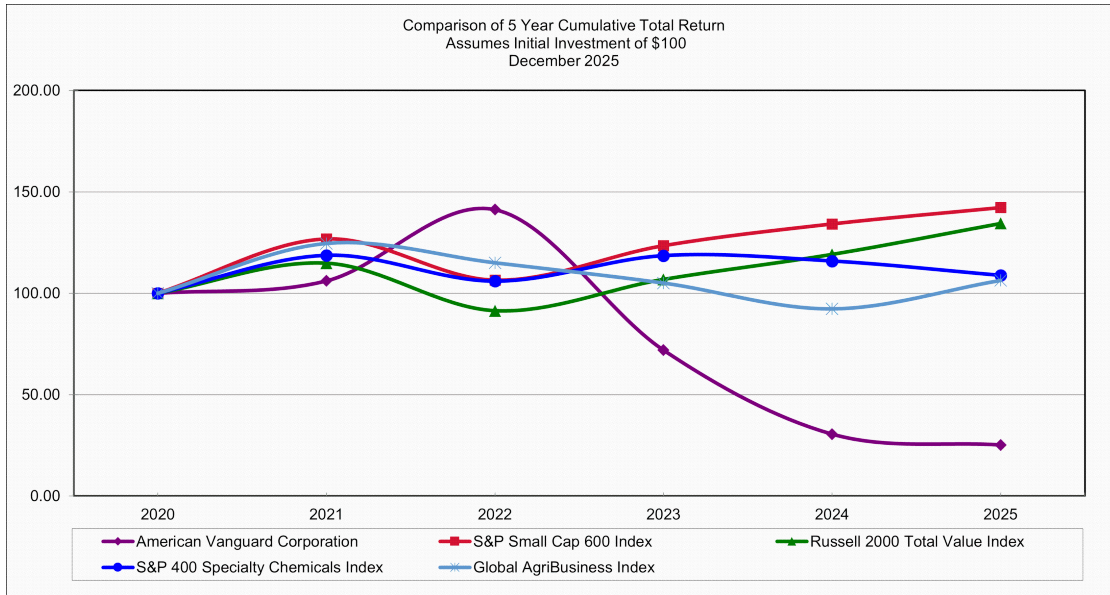
Pursuant to the First Priority Term Loan Agreement, effective March 13, 2026, the Company is allowed to make repurchases of its capital stock only to the extent that such repurchases do not exceed, in the aggregate, \$5 million over the life of the agreement.

Securities Authorized for Issuance under Equity Compensation Plans

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants, and rights	Weighted average exercise price of outstanding options, warrants, rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	357,024	\$ 10.28	1,331,761
Total	357,024	\$ 10.28	1,331,761

Stock Performance Graph

The following graph presents a comparison of the cumulative, five-year total return for the Company, the Russell 2000 Stock Index, and a peer group (S&P 400 Specialty Chemical Industry). The graph assumes that the beginning values of the investments in the Company, the Russell 2000 Stock Index, and the S&P 400 Specialty Chemical Index (a peer group of companies) each was \$100 on December 31, 2020. All calculations assume reinvestment of dividends. Returns over the indicated period should not be considered indicative of future returns.



ITEM 6 RESERVED

Not applicable

ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS/RISK FACTORS:

The Company, from time-to-time, may discuss forward-looking statements including assumptions concerning the Company's operations, future results and prospects. Generally, "may," "could," "will," "would," "expect," "believe," "estimate," "anticipate," "intend," "continue" and similar words identify forward-looking statements. Forward-looking statements appearing in this Report are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on our current expectations and are subject to risks and uncertainties that can cause actual results and events to differ materially from those set forth in or implied by the forward-looking statements and related assumptions contained in the entire Report, including those set forth in Part I, Item 1A, "Risk Factors" of this Annual Report on Form 10-K. The information contained in this section should also be read in conjunction with our consolidated financial statements and related notes and the information contained elsewhere in this Annual Report on Form 10-K. See also "Forward-Looking Statements" immediately prior to Part I, Item 1, "Business" in this Annual Report on Form 10-K.

The discussion and analysis of our financial condition and results of operations for 2025, as compared to 2024, appears below.

For the discussion and analysis of our financial condition and results of operations, as well as cash flows, for 2024, as compared to 2023, please see "Item 7-Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's annual report on Form 10-K for the year ended December 31, 2024, which was filed with the U.S. Securities and Exchange Commission on May 29, 2025.

MANAGEMENT OVERVIEW

Despite a challenging economic backdrop, we believe, American Vanguard has improved in the areas that are under management's direct control. The Company is improving its procurement process through the implementation of advanced software systems and the recruitment of industry leading executives. This has led to higher gross profit margins, as compared to 2024, which are expected to further improve over the medium term, as additional refinements to our systems and processes take place. Management has also made substantial improvements to its operating cost structure and through initiatives that have already been announced, such as its decision to streamline our corporate structure by removing the international BV from our management structure, rationalizing and enhancing its IT systems and by making the decision to move its corporate headquarters. These and a number of other initiatives are expected to see further costs taken out of this category over the coming quarters.

While the management team has made meaningful progress implementing its business improvement initiatives, the agriculture economy is still in the midst of a cyclical downturn. Agricultural commodity prices remain near historically low levels as uncertainty remains around forecasted agricultural commodity inventory levels and crop acreage. Customer inventories now appear to be at low levels and during the second half of 2025 material that was being consumed in the field appeared to match purchasing patterns. Thus, it is likely that destocking has substantially run its course. Given the current economic uncertainty, it is unlikely that we will see a strong push to rebuild inventory, but an end to destocking would be a positive for the industry and the first step in an eventual cyclical upturn.

Turning to financial performance, the Company's 2025 net sales declined, while gross profit margin and net loss improved, as compared to 2024, due, in part, to the management team's business improvement plan. Net sales declined by approximately 6% during 2025, with domestic net sales remaining flat, while international net sales declining by 14%. Weakness in the international segment can be attributed to a prolonged severe drought in key markets in Australia and lower granular soil insecticide sales in Mexico, significantly impacted by excessive channel inventory.

Initiatives undertaken as part of the Company's business improvement plan resulted in reduced cost of sales in 2025 (71% of net sales) vs. 2024 (78% of net sales). The improvements are the result of lower reserves for slow moving and obsolete inventory in 2025 vs. 2024, and a significant improvement in our approach to strategic procurement driving lower raw material costs. In 2025, we recorded approximately \$3,802 in inventory reserves as compared to \$21,417 in 2024.

Operating expenses decreased by 21% in 2025, as compared to 2024. The Company spent significantly less on transformation and incurred lower asset impairment charges during 2025, as compared to 2024. In addition, Management continued its focus on containing selling, general and administrative expenses and decreased its research, product development and regulatory expense. The benefits from these efforts were partially offset by expenses related to product liability claims.

With continued comparative lower net sales and higher inventory level, the Company's average indebtedness remained flat with the prior year at \$194,669 as compared to \$195,160, during 2024. Interest expenses was up slightly as a result of increased in effective interest rates and additional loan amendment origination fees .

On a full-year basis, the Company generated a net loss of \$49,882 (or \$1.75 per share) in 2025, as compared to a net loss of \$126,340 (or \$4.50 per share) during 2024. Details of our financial performance are set forth below.

Results of Operations

2025 Compared with 2024:

	2025	2024	\$ Change	% Change
Net sales:				
U.S. crop	\$ 221,391	\$ 228,327	\$ (6,936)	-3%
U.S. non-crop	90,290	82,400	7,890	10%
Total U.S.	311,681	310,727	954	0%
International	203,433	236,579	(33,146)	-14%
Total net sales	\$ 515,114	\$ 547,306	\$ (32,192)	-6%
Total cost of sales	\$ (367,553)	\$ (426,989)	\$ 59,436	-14%
Total gross profit	\$ 147,561	\$ 120,317	\$ 27,244	23%
Total gross margin	29%	22%		

Net sales of our **U.S. crop** business were 3% lower than those of the prior year. The primary areas of weakness were soil fumigants and granular soil insecticides. Fumigants were negatively impacted by weakness in the potato market, where farmers are planting fewer acres in response to a weak demand and pricing environment. This weakness was partially offset by strength in the herbicide segment where the company benefited from a full year of sales of a recently introduced product, Zalo, and strong demand for our Impact product line, the company's broad-based herbicide used on corn crops.

Net sales of our **U.S. non-crop** business were 10% higher than the previous year. This improvement was driven by revenue recognized from a business-to-business technology licensing agreement in the amount of \$11,250, partially offset by a decline in our nursery and ornamental business.

Net sales of our **International** businesses were 14% lower than the previous year. International sales were impacted by drought conditions in Australia, which led to low molluscicide sales. Our Mexican business saw weakness in net sales due to slower demand, as a result of channel inventory. On the other hand, biological net sales were an area of strength in our international business.

Overall costs of sales decreased by 14% across our U.S. crop, U.S. non-crop and International. The decreases resulted from improved strategic actions to manage raw material and manufacturing costs. Furthermore, in 2025 the Company identified certain items of slow moving or potentially obsolete inventories and took reserves in the amount of \$3,802 to reduce those inventory items to net realizable value. In comparison, in 2024, the Company recorded reserves of \$21,417.

Operating expenses decreased by \$46,015 in 2025 to \$175,857, as compared to \$221,872 in 2024. The differences in operating expenses by department are as follows:

	2025	2024	Change	% Change
Operating expenses				
Selling	\$ 45,428	\$ 48,732	\$ (3,304)	-7%
General and administrative				
Other	\$ 53,082	\$ 56,378	(3,296)	-6%
Amortization	12,123	13,339	(1,216)	-9%
Legal reserves	—	1,185	(1,185)	-100%
Research, product development and regulatory	23,161	32,662	(9,501)	-29%
Product liability claims	9,730	—	9,730	100%
Transformation	7,187	20,162	(12,975)	-64%
Asset impairment	25,395	50,414	(25,019)	-50%
Gain from sale of asset	(249)	(1,000)	751	-75%
Total	<u>\$ 175,857</u>	<u>\$ 221,872</u>	<u>\$ (46,015)</u>	-21%

- Selling expenses decreased by \$3,304 for the year ended December 31, 2025, as compared with the prior year. This was mainly associated with actions implemented to streamline our global commercial team and to improve effectiveness, including tight controls on advertising and promotions and other short term controllable costs.
- Other general and administrative expenses decreased by \$3,296, primarily associated with reduced headcount across the global business as we streamlined the organization.
- Amortization declined as compared to prior year, as the result of assets that were retired during 2025 or were fully impaired at the end of 2024.
- In 2024, the Company recorded a reserve for a legal settlement. There was no similar legal matter in 2025.
- Research, product development and regulatory expenses decreased by \$9,501 for the year ended December 31, 2025, as compared to 2024. This is the result of improved resource management and cost controls focused on regulatory and product development studies, and by the decision to not further invest in the SIMPAS delivery system.
- In 2025, the Company recorded a charge of \$9,730 related to product liability claims primarily associated with its non-crop business. There was no similar matter in the prior year.
- Transformation costs related to the Company's digital and structural transformation project reduced dramatically, as expected, and ended at \$7,187, as compared to \$20,162 in the prior year. The Company expects that these costs will continue to decline in 2026.
- Asset impairments of \$25,395 include the impairment of the remaining goodwill of our international business in the amount of \$21,040 as a result of changes in discount rate assumptions that were essentially general economic adjustments rather than changes in the expected future performance of the international businesses, PCNB related intangible assets in the amount of \$1,668 and PCNB related manufacturing equipment in the amount of \$2,459. During 2024, the Company took impairment charges in the amount of \$50,414 primarily associated with impairment charges associated with goodwill, the determination that its investment in SIMPAS technology was impaired and with other intangible assets.

AVD undertook a strategic initiative to transform its entire enterprise into a platform for stronger growth and profitability. The Company engaged third party consultants to initiate a business transformation on multiple fronts (including supply chain cost, optimizing manufacturing, establishing strategic go-to-market approaches and a structural reorganization). We believe these transformation efforts will yield substantial benefits by 2026. The Company also initiated a Company-wide digital transformation across all of our geographies including a uniform ERP platform with standardized processes. Third, the Company recruited and hired a new CEO tasked with leading the transformation project. The following table shows the different components of the transformation expense for the years ended December 31, 2025 and 2024:

	2025	2024
Consulting and strategic advisory services	\$ 2,538	\$ 12,408
CEO termination costs	559	2,837
CEO recruitment fees	—	361
Other termination and retention costs	2,417	2,606
Transformation related employee costs	450	1,204
IT implementations	1,223	746
Total	\$ 7,187	\$ 20,162

On April 1, 2020, the Company made a strategic investment in Clean Seed Inc. (Clean Seed) in the amount of \$1,190. The investment is carried at fair value and is included in other assets on the Company's consolidated balance sheets. At December 31, 2025, the fair value of the investment amounted to \$501. The Company recorded a loss related to Clean Seed's change in fair value in the amount of \$437 during 2025, as compared to a gain of \$513 in 2024. These fair value adjustments are included in change in fair value of equity investments on the Company's consolidated statements of operations.

Net interest expense was \$18,470 in 2025, as compared to \$16,243 in 2024. Interest costs are summarized in the following table:

Average Indebtedness and Interest expense	2025			2024		
	Average Debt	Interest Expense, net	Effective Interest Rate	Average Debt	Interest Expense, net	Effective Interest Rate
Senior credit facility	\$ 194,669	\$ 16,546	8.5%	\$ 195,160	\$ 15,518	8.0%
Interest Income, net	—	(106)	—	—	(230)	—
Amortization of deferred loan fees	—	1,906	—	—	536	—
Other interest	—	209	—	—	815	—
Subtotal	194,669	18,555	9.5%	195,160	16,639	8.5%
Capitalized interest	—	(85)	—	—	(396)	—
Total	\$ 194,669	\$ 18,470	9.5%	\$ 195,160	\$ 16,243	9.5%

The Company's average debt for the year ended December 31, 2025, was \$194,669, as compared to \$195,160 for the year ended December 31, 2024. The continuing comparatively high average borrowings can be in large part attributed to the global agriculture market continuing to focus on channel inventory levels and lower levels of prepay in the U.S.. This effective destocking of the channel is a global agricultural market reaction to high interest rates and the drive by distribution to push working capital back to manufacturers. Our effective interest rate on our senior credit facility increased from 8.0% in 2024 to 8.5% in 2025.

Our provision for income taxes for 2025 was \$2,679, as compared to \$5,882 for 2024. The effective income tax rate for 2025 was negative 5.7%, as compared to negative 4.9% in 2024. The decrease of the effective tax rate in 2025, as compared to 2024, was primarily due to the decrease in the loss before provision for income taxes for entities that maintained a full valuation allowance during 2025.

The Company is subject to U.S. federal income tax as well as to income tax in multiple state jurisdictions. Federal income tax returns of the Company are subject to Internal Revenue Service ("IRS") examination for the 2022 through 2024 tax years. State income tax returns are subject to examination for the 2021 through 2024 tax years. The Company has other foreign income tax returns subject to examination.

Net loss was \$49,882 or \$1.75 per basic share and diluted share in 2025, as compared to \$126,340 or \$4.50 per basic and diluted share in 2024.

Comprehensive loss was \$43,153 in 2025, as compared to \$139,106 in 2024. In addition to net loss, foreign currency translation adjustment, net of tax, is included in comprehensive loss. The foreign currency translation adjustment, net of tax, was positive \$6,729 in 2025, as compared to a negative \$12,766 in 2024. The negative adjustment in 2024 was driven by the US Dollar getting stronger compared to the local currencies of the Company's international operations in Mexico, Brazil, and Australia, which use the respective local currencies as their functional currency.

Liquidity and Capital Resources

Cash used in operating activities amounted to \$21,191 during the year ended December 31, 2025, as compared to cash provided in operating activities of \$3,923 in the prior year. Included in the \$21,191 are net loss of \$49,882, plus non-cash depreciation, amortization of intangibles and other long-term assets in the amount of \$18,763, amortization of deferred loan fees and discounted liabilities of \$1,906, impairment of assets including fixed assets, intangible assets and goodwill of \$25,395, and provision for bad debts in the amount of \$2,360, stock-based compensation of \$2,016, change in fair value of investments of \$437. These adjustments were offset by deductions related to a gain on sale of fixed assets of \$75, reductions in value of deferred income taxes of 1,351, reductions in value for uncertain tax positions or unrecognized tax benefits of \$201, non-cash lease expense of \$147, and net foreign currency adjustment of \$193. This resulted in net cash used in operating activities (prior to changes in assets and liabilities associated with operations, net of business combinations) of \$972, as compared to net cash provided by operating activities of \$44,083 for the same period of 2024.

The Company's working capital increased by \$14,533 at December 31, 2025. Included in this change, accounts receivable decreased by \$7,697 as a result of timing of orders, mix of customers, products and jurisdictions, inventories decreased by \$6,287 as a result of a hard drive to reduce inventories and the result of recording certain inventory write downs, tax receivable decreased by \$9 driven by losses recorded 2025, and prepaid expenses increased by \$8,638. The liability for customer prepayments at the end of 2025, decreased by \$19,582, as a result of return to pre-Covid levels of normal working capital by customers. Our accounts payable balances increased by \$15,434 primarily as a result of management focus on controlling net trade working capital and the drive by the Company to reduce inventory in the final quarter of the year. Program accruals decreased by \$17,384, and other payables and accrued expenses decreased by \$4,024.

With regard to our program accrual, the year-over-year change is primarily driven by the mix of product line sales volumes, and customers in 2025, as compared to the prior year. The Company accrues programs in line with the growing season upon which specific products are targeted. Most of our programs relate to domestic sales. Typically, domestic crops have a growing season that ends on August 31st of each year. During 2025, the Company made accruals in the amount of \$69,307 and payments in the amount of \$86,529. During 2024, the Company made accruals in the amount of \$93,301 and payments in the amount of \$92,188.

Cash used for investing activities amounted to \$3,608 for the year ended December 31, 2025, as compared to \$6,623 in 2024. In 2025, the Company spent \$3,793 on capital expenditures primarily on continuing to invest in manufacturing infrastructure focused on safety and improvement of production efficiency and capabilities. Furthermore, the Company spent \$165 on registrations and patents and received \$477 in disposal of fixed assets. In 2024, the Company spent \$409 on registrations and patents and received \$1,065 in disposal of fixed assets.

During the year ended December 31, 2025, financing activities provided \$23,704 as compared to \$4,540 provided during the prior year. This included increasing net borrowings by \$26,669, as compared to an increase of \$8,431 in 2024. The Company paid \$3,389 in deferred loan fees during the year ended December 31, 2025, as compared to \$850 in the prior year. During 2024, the Company paid dividends to stockholders amounting to \$2,510, no dividend payment was made in 2025.

The Company has long-term debt as of December 31, 2025 and 2024 relating to a senior credit facility as summarized in the following table:

Indebtedness	2025	2024
Senior credit facility	\$ 174,000	\$ 147,332
Deferred loan fees	(3,015)	(1,532)
Total indebtedness	\$ 170,985	\$ 145,800

The deferred loan fees as of December 31, 2025 and 2024 are included in other assets on the consolidated balance sheets.

The Company and certain of its affiliates were parties to a senior credit facility agreement entitled the “Third Amended and Restated Loan and Security Agreement” dated as of August 5, 2021 (the “Credit Agreement”), which is a senior secured lending facility among AMVAC, the Company’s principal operating subsidiary, as Agent (including the Company and AMVAC BV), as “Borrowers”, on the one hand, and a group of commercial lenders led by BMO Bank, N.A. (formerly Bank of the West) as administrative agent, documentation agent, syndication agent, collateral agent and sole lead arranger, on the other hand. The Credit Agreement initially consisted of a line of credit of up to \$275,000, an accordion feature of up to \$150,000, a letter of credit and swingline sub-facility (each having limits of \$25,000) and had a maturity date of August 5, 2026. The Credit Agreement has undergone twelve amendments since 2021.

Under the Credit Agreement, revolving loans bore interest at a variable rate based, at borrower’s election with proper notice, on either (i) SOFR plus 0.1% per annum and the “Applicable Margin” or (ii) the greater of (x) the Prime Rate, (y) the Federal Funds Rate plus 0.5%, and (z) the Daily One-Month SOFR Rate plus 1.10%, plus, in the case of (x), (y) or (z), the Applicable Margin (“Adjusted Base Rate Revolver Loan”). Interest payments for SOFR Revolver Loans were payable on the last day of each interest period (either one-, three- or nine- months, as selected by the Company) and the maturity date, while interest payments for Adjusted Base Rate Revolver Loans are payable on the last business day of each month and the maturity date.

On August 18, 2025, AMVAC, as borrower, and affiliates (including Registrant), as guarantors and/or borrowers, entered into Amendment Number Twelve (the “Amendment”) to the Credit Agreement. The Amendment extended the maturity date of the Credit Agreement from August 5, 2026, to December 31, 2026, and amended the borrowing capacity under the revolving credit facility to \$245,000 through November 29, 2025, then \$225,000 until December 30, 2025, then \$200,000 until March 31, 2026 and then \$180,000 through December 31, 2026. The Amendment also included additional changes to the Credit Agreement, including: (i) amending the applicable margins for the applicable interest rates and unused line fee and letter of credit fee; (ii) adding a year-to-date Consolidated EBITDA requirement of \$4,500 as of June 30, 2025, \$9,500 as of September 30, 2025 and \$35,000 as of December 31, 2025 and a TTM Consolidated EBITDA requirement of not less than \$37,500 as of March 31, 2026; (iii) requiring the Company to make prepayments on the loans once the Company’s cash balance exceeds a threshold; and (iv) suspending the Total Leverage Ratio covenant until June 30, 2026 and then applying a fiscal quarter end ratio of 4.00:1.00.

On March 13, 2026, AMVAC, as borrower, and affiliates (including the Company), as guarantors, entered into two loan agreements that, in effect, entirely refinanced the previously existing Credit Agreement. The first is a Credit and Guaranty Agreement with Wilmington Trust, National Association, as administrative agent, and a group of lenders led by Centerbridge Partners, L.P., under the terms of which lenders provide a senior, secured term loan in the aggregate principal amount of \$225,000 (the “First Priority Term Loan”). The First Priority Term Loan includes a five-year term, initial interest at SOFR (minimum of 3.0%) + 8.25 (with three potential stepdowns of 50bps each upon achievement of 1X, 1.5X and 2.0X inside closing net leverage ratio), amortization of 1.0% per annum, a no-call provision in year one (with potential for full repayment thereafter with additional exit fees), and two financial covenants - namely, a) a first lien debt-to-EBITDA ratio starting at 6.7X and stepping down to 4.0X in the fourth quarter of 2028, and b) a minimum liquidity requirement ranging from \$20,000 to \$45,000 on a monthly schedule through the fourth quarter of 2027 and increasing to \$50,000 in January of 2028 and thereafter. Borrower may repay up to \$35,000 per annum without incurring premium interest.

The second is a Credit and Guaranty Agreement with BMO Bank, N.A., as agent, and other lenders, under the terms of which lenders provide a second priority term loan in the aggregate principal amount of \$60,000 (the “Second Priority Term Loan”). The Second Priority Term Loan is subordinate to the First Priority Term Loan, includes a five-year term, initial interest at SOFR + 2.0, amortization of 10% per annum starting in Q3 2027, no prepayment penalty and no financial covenants.

The Company believes that the combination of its cash flows from future operations, current cash on hand and the availability under the Company’s credit facilities will be sufficient to meet its working capital and capital expenditure requirements and will provide the Company with adequate liquidity to meet its anticipated operating needs for at least the next 12 months from the issuance of these consolidated financial statements. Although operating activities are expected to provide cash, to the extent of growth in the future, its operating and investing activities will use cash and, consequently, this growth may require the Company to access some or all of the availability under the credit facility.

Recently Issued Accounting Guidance

Please refer to Note 1 of the Notes to the consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for recently issued and adopted accounting standards.

CRITICAL ACCOUNTING ESTIMATES

The preparation of our consolidated financial statements requires us to make estimates that affect the reported amounts of assets, liabilities, sales and expenses, and related disclosure of contingent assets and liabilities. We base our estimates and judgments on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Resolution of such uncertainties in a manner inconsistent with our estimates could have a material effect on our financial condition and operating results.

The Company's critical accounting estimates include:

Current Expected Credit Losses—The Company maintains an allowance to cover its Current Expected Credit Losses ("CECL") on its trade receivables, other receivables and contract assets arising from the failure of customers to make contractual payments. The Company estimates credit losses expected over the life of its trade receivables, other receivables and contract assets based on historical information combined with current conditions that may affect a customer's ability to pay and reasonable and supportable forecasts. In most instances, the Company's policy is to write-off trade receivables when they are deemed uncollectible. The vast majority of the Company's trade receivables, other receivables and contract assets are due in less than 365 days. Under the CECL impairment model, the Company develops and documents its allowance for credit losses on its trade receivables based on multiple portfolios. The determination of portfolios is based primarily on geographical location, type of customer and receivables aging.

Inventories—The Company values its inventories at lower of cost or net realizable value. Cost is determined by the first-in, first-out ("FIFO") or average cost method, including, as appropriate, raw materials, labor, factory overhead and subcontracting services. The Company writes down its inventory to the net realizable value following assessments of slow-moving and obsolete inventory and other annual adjustments to ensure that our standard costs continue to closely reflect actual manufacturing cost. During the years ended December 31, 2025 and 2024, the Company recorded inventory adjustments of \$3,802 and \$21,417, respectively.

Intangible Assets Other Than Goodwill—The primary identifiable intangible assets of the Company relate to assets associated with its product and business acquisitions. All of the Company's intangible assets have finite lives and are amortized. The estimated useful life of an identifiable intangible asset is based upon a number of factors including the effects of demand, competition, and expected changes in the marketability of the Company's products. During the year ended December 31, 2025, the Company recorded intangible asset impairment charges in the amount of \$1,802, as compared to \$9,345 in 2024. The Company evaluated and determined its intangible assets corresponding to the Company's operations in countries for which the Company has recorded a full deferred tax asset valuation allowance was not material.

Business Combinations—The Company uses its best estimates and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. The Company's estimates are inherently uncertain and subject to refinement. During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill or an adjustment to the gain from a bargain purchase. In addition, uncertain tax positions and tax-related valuation allowances are initially recorded in connection with a business combination as of the acquisition date. The Company continues to collect information and re-evaluates these estimates and assumptions quarterly and records any adjustments to the Company's preliminary estimates to goodwill provided that the Company is within the measurement period. Upon the conclusion of the measurement period or final determination of the fair value of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded in the Company's consolidated statement of operations.

From time to time, certain of our acquisition agreements include contingent earn-out arrangements, which are generally based on the achievement of future income thresholds. The fair values of these earn-out arrangements are included as part of the purchase price of the acquired companies on their respective acquisition dates. For each transaction, we estimate the fair value of contingent earn-out payments as part of the initial purchase price and record the estimated fair value of contingent consideration as a liability on the consolidated balance sheets.

The Company reviews and re-assesses the estimated fair value of contingent consideration on a quarterly basis until the contingent period ends, and the updated fair value could be materially different from the initial estimates or prior quarterly amounts. Changes in the estimated fair value of our contingent earn-out liabilities are reported in operating results.

Asset Acquisitions—If an acquisition of an asset or group of assets does not meet the definition of a business, the transaction is accounted for as an asset acquisition rather than a business combination. An asset acquisition does not result in the recognition of goodwill and transaction costs are capitalized as part of the cost of the asset or group of assets acquired. The Company uses its best estimates and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. In most cases, the Company engages third party valuation specialists to assist the Company in its assessment. The acquisitions costs are allocated to the assets acquired on a relative fair value basis. From time to time, certain of our acquisition agreements include contingent earn-out arrangements, which are recognized only when the contingency is resolved, and the consideration is paid or becomes payable.

Goodwill—The Company reviews goodwill for impairment triggers utilizing either a qualitative or quantitative assessment. If the Company decides that it is appropriate to perform a qualitative assessment and concludes that the fair value of a reporting unit more likely than not exceeds its carrying value, no further evaluation is necessary. If the Company performs a quantitative assessment, the Company compares the fair value of a reporting unit with its carrying value and recognizes an impairment charge for the amount that the carrying amount exceeds the reporting unit's fair value. The Company annually tests goodwill for impairment at the beginning of the fourth quarter, or earlier if triggering events occur. Fair value determinations require considerable judgment and are sensitive to inherent uncertainties and changes in estimates and assumptions regarding revenue growth rates, gross margins, expenses, capital expenditures, working capital requirements, tax rates, terminal growth rates, discount rates, and synergies available to market participants. As of October 1, 2025, the Company conducted its most recent annual impairment test by quantitatively testing goodwill assigned to its international reporting units. Based on the results of the quantitative test, the carrying value of the international reporting unit exceeded its respective fair value by \$23,816. As a result, the Company concluded that goodwill related to its international reporting unit in the amount of \$21,040 was fully impaired and recorded a corresponding impairment charge during the year ended December 31, 2025.

Impairment—The carrying values of long-lived assets other than goodwill are reviewed for impairment annually and/or whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. The Company evaluates recoverability of an asset group by comparing the carrying value to the future undiscounted cash flows that it expects to generate from the asset group. If the comparison indicates that the carrying value of an asset group is not recoverable, measurement of the impairment loss is based on the fair value of the asset. In 2025, the Company made the decision that it will stop manufacturing PCNB. During 2026 and 2027, the Company plans to sell its remaining global inventory but will not produce anymore PCNB. Accordingly, the Company reviewed its fixed assets associated with the manufacturing equipment supporting the PCNB product line and decided to write off the net book value of clearly identifiable assets. In 2024, the Company determined that the carrying value related to some of its packaging equipment was impaired, primarily associated with its investments in the SIMPAS technology platform. As a result, the Company recorded impairment charges of \$4,354 for the year ended December 31, 2025 and \$23,365 for the year ended December 31, 2024.

Income taxes—Income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect the Company’s best estimate of current and future taxes to be paid. The Company is subject to income taxes in the U.S. and several foreign jurisdictions. The Company assessed the ability to realize deferred tax assets and determined that based on the available evidence, including a history of taxable income and estimates of future taxable income, it is more likely than not that the net deferred tax assets relating to the Company’s operations in the United States, Brazil, Spain, Dominican Republic, Honduras, Nicaragua, Hong Kong, and Ukraine will not be realized and a full valuation allowance has been recorded in those jurisdictions. Significant judgment is required in determining the provision for income taxes and deferred tax assets and liabilities. In the event that actual results differ from these estimates, we will adjust these estimates in future periods, which may result in a change in the effective tax rate in a future period. Accounting for income taxes involves uncertainty and judgment on how to interpret and apply tax laws and regulations within the Company’s annual tax filings. Such uncertainties from time to time may result in a tax position that may be challenged and overturned by a tax authority in the future, which could result in additional tax liability, interest charges and possibly penalties. The Company classifies interest and penalties as a component of income tax expense.

Off-Balance Sheet Arrangements

As of December 31, 2025, we did not have any off-balance sheet arrangement.

ITEM 7A QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to market risk related to changes in interest rates, foreign exchange rates, and inflation.

Interest rate risk—The Company is primarily exposed to changes in interest rates related to its borrowing activities. The Company's indebtedness to its primary group of lenders is evidenced by a line of credit with a variable rate of interest, which fluctuates with changes in the lender's reference rate (SOFR). An increase or decrease in interest rates by 25 bps would impact the Company's net loss by approximately \$487 based on the Company's historical average borrowing in 2025. The Company may use derivative financial instruments to hedge its exposure to interest rate fluctuations. No such financial instruments were used by the Company in 2024.

Foreign exchange rate risk—The Company conducts business in various foreign currencies, primarily when doing business in Mexico, Central and South America, Australia, New Zealand and Europe. Therefore, changes in the value of the currencies of such countries or regions affect the Company's financial position and cash flows when translated into U.S. Dollars. The Company has mitigated, and will continue to mitigate, a portion of its currency exchange exposure through natural hedges based on the operation of decentralized foreign operating companies in which the majority of all costs are local-currency-based. The remaining currency exchange exposure mainly pertains to intercompany trade accounts and loans granted to wholly owned international entities which have their local currency as their functional currency. A positive or negative change of 10% between the US Dollar and the respective local currencies of these entities would amount to a positive or negative change of approximately \$6,000. The Company may use derivative financial instruments for trading purposes to protect trading performance from exchange rate fluctuations on material contracts, though there are no such instruments in place during any periods presented in this Annual Report on Form 10-K.

Inflation—The Company is working diligently with its critical raw material suppliers to control inflationary pressures, conducting contract negotiations with focus on the following: reducing or delaying price increases due to higher environmental costs from suppliers mainly in China and India, managing the tariff impacts by sourcing and leveraging alternate geographies where possible, and lastly, monitoring strengths of the U.S. dollar vs other currencies in order to secure benefits and balance tariff effects. The Company recognizes there is long-term pressure on demand for raw materials in the developing world and is utilizing its expertise to minimize inflationary pressure. The Company has been able to push back on many of the proposed price increases for actives and intermediates that are shipped to our U.S. factories, to either avoid, minimize or forestall them. In response to inflation and other factors that have increased the cost of goods and services, the Company has successfully implemented price increases on its products. However, inflation has resulted in persistently high interest rates. As a result, customers in many regions implemented destocking directives in order to limit their carrying costs of inventory. This, in turn, led to an overall drop in demand in late 2022 through the end of 2025. There can be no assurance that inflation will not have a material adverse effect on the Company's financial performance in future periods.

As part of an on-going process of assessing business risk, management has identified risk factors which are disclosed in Item 1A. Risk Factors of this Annual Report on Form 10-K.

ITEM 8

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of
American Vanguard Corporation
Newport Beach, California

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of American Vanguard Corporation and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive (loss) income, stockholders' equity and cash flows, for each of the two years in the period ended December 31, 2025, and the related notes and the schedules listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 16, 2026, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Accrued Program Costs — Refer to Note 1 to the financial statements

Critical Audit Matter Description

The Company offers incentives and discounts to its customers based on various programs (“programs”). As of December 31, 2025, accrued program costs were \$54.6 million. These programs represent variable consideration. Revenues from sales are recorded at the net sales price, which is the transaction price, less an estimate of variable consideration. Depending on the nature of the program, the Company uses either the expected value or most likely amount method for determining the estimated variable consideration. The Company compares individual sale transactions with programs to determine what, if any, program liabilities have been incurred and makes adjustments to accrued program costs.

Given the nature of the data utilized to analyze certain accrued program costs, and the volume of programs data required to estimate total variable consideration, auditing the accrued program costs required extensive audit effort when performing audit procedures and evaluating the results of those procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to accrued program costs included the following, among others:

- We assessed the reasonableness of management’s program accrual rates used by performing a fluctuation analysis of accrual rates per selected product line at December 31, 2025, compared to the prior period accrual rates.
- We evaluated the accuracy of the accrued program costs by comparing the accrued program costs calculation inputs and adjustments to supporting documentation, including approved program offers, and tested the mathematical accuracy of management’s calculation.
- We performed inquiries of appropriate individuals outside of the finance organization to corroborate the completeness and accuracy of the inputs into the calculation.
- We evaluated management’s ability to accurately record accrued program costs by testing a selection of actual program related payments made in 2025, and comparing the payments to management’s historical accrued program costs.

Goodwill – International Reporting Unit — Refer to Notes 1 and 9 to the financial statements

Critical Audit Matter Description

The Company annually tests goodwill for impairment on October 1, or earlier if triggering events occur. If the Company performs a quantitative assessment, the Company compares the fair value of a reporting unit with its carrying value and recognizes an impairment charge for the amount the carrying value exceeds the reporting unit’s fair value. The determination of a reporting unit’s fair value includes the Company’s use of a discounted cash flow model and a market approach. Key assumptions in the discounted cash flow include, but are not limited to, discount rates, future net sales growth, gross margins, expenses, capital expenditures, and terminal growth rates. The market approach key assumption relates to the earnings before interest, taxes, depreciation, and amortization (EBITDA) multiples. Based on the results of the quantitative test, the Company recorded a goodwill impairment in the amount of \$21.0 million for the international reporting unit in 2025.

Given the significant judgments made by management to estimate the fair value of the international reporting unit, performing audit procedures to evaluate the reasonableness of management’s estimates and assumptions related to the future net sales growth, and the selection of EBITDA multiples and discount rate required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to future net sales growth, and the selection of EBITDA multiples and discount rate, to estimate the fair value of the international reporting unit included the following procedures:

- We tested management’s controls over the goodwill impairment evaluation, including over the determination of the fair value of the reporting unit, such as the control related to the forecasted future net sales growth, selection of EBITDA multiples, and selection of the discount rate.
- We evaluated the reasonableness of management’s forecasted future net sales growth by comparing forecasted future net sales growth to (1) historical results of the Company, (2) information obtained from inquiries with senior management personnel, (3) internal communications to management and the board of directors, and (4) industry reports of the Company and comparable companies.
- We evaluated management’s ability to accurately forecast future net sales growth by comparing actual results to management’s historical forecasts.
- With the assistance of our fair value specialists, we evaluated the discount rate, including testing the source information underlying the determination of the discount rate, testing the mathematical accuracy of the calculations, and developing a range of independent estimates and comparing those to the discount rates selected by management.
- With the assistance of our fair value specialists, we evaluated the selection of EBITDA multiples from comparable companies, including testing the underlying source information and mathematical accuracy of the calculations, and evaluated the appropriateness of the Company’s selection of companies in its peer public company group.

/s/ Deloitte & Touche LLP

Costa Mesa, California
March 16, 2026

We have served as the Company's auditor since 2023.

CONSOLIDATED BALANCE SHEETS
December 31, 2025 and 2024
(In thousands, except share data)

Assets	2025	2024
Current assets:		
Cash	\$ 12,425	\$ 12,514
Receivables:		
Trade, net of allowance for credit losses of \$11,733 and \$9,190 respectively	160,511	169,743
Other	7,278	4,699
Total receivables, net	167,789	174,442
Inventories	176,034	179,292
Prepaid expenses and other assets	9,668	7,615
Income taxes receivable	4,606	5,030
Total current assets	370,522	378,893
Property, plant and equipment, net	53,036	58,169
Operating lease right-of-use assets, net	16,793	19,735
Intangible assets, net	138,746	150,497
Goodwill	—	19,701
Deferred income tax assets	2,637	1,242
Other assets	14,803	8,484
Total assets	\$ 596,537	\$ 636,721
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 87,505	\$ 69,159
Customer prepayments	33,094	52,675
Accrued program costs	52,227	69,449
Accrued expenses and other payables	28,261	31,989
Operating lease liabilities, current	5,765	6,136
Income taxes payable	2,594	2,942
Total current liabilities	209,446	232,350
Long-term debt	174,000	147,332
Operating lease liabilities, long-term	11,621	14,339
Deferred income tax liabilities	8,150	7,989
Other liabilities	923	1,601
Total liabilities	404,140	403,611
Commitments and contingent liabilities (Notes 5 and 10)		
Stockholders' equity:		
Preferred stock, \$0.10 par value per share; authorized 400,000 shares; none issued	—	—
Common stock, \$0.10 par value per share; authorized 40,000,000 shares; issued 34,923,562 shares in 2025 and 34,794,548 shares in 2024	3,492	3,479
Additional paid-in capital	117,106	114,679
Accumulated other comprehensive loss	(12,000)	(18,729)
Retained earnings	155,000	204,882
	263,598	304,311
Less treasury stock at cost, 5,915,182 shares in 2025 and 5,915,182 in 2024	(71,201)	(71,201)
Total stockholders' equity	192,397	233,110
Total liabilities and stockholders' equity	\$ 596,537	\$ 636,721

See summary of significant accounting policies and notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS
Years ended December 31, 2025, 2024 and 2023
(In thousands, except per share data)

	2025	2024	2023
Net sales	\$ 515,114	\$ 547,306	\$ 579,371
Cost of sales	(367,553)	(426,989)	(400,207)
Gross profit	147,561	120,317	179,164
Operating expenses			
Selling, general and administrative	(110,633)	(119,634)	(116,887)
Research, product development and regulatory	(23,161)	(32,662)	(38,025)
Product liability claims	(9,730)	—	—
Transformation	(7,187)	(20,162)	(957)
Asset impairments	(25,395)	(50,414)	—
Gain from sale of assets	249	1,000	—
Operating (loss) income	(28,296)	(101,555)	23,295
Change in fair value of equity investments, net	(437)	(2,356)	(359)
Interest and other expenses, net	(18,470)	(16,547)	(12,639)
(Loss) income before provision for income taxes	(47,203)	(120,458)	10,297
Provision for income taxes	(2,679)	(5,882)	(2,778)
Net (loss) income	\$ (49,882)	\$ (126,340)	\$ 7,519
(Losses) earnings per common share—basic	\$ (1.75)	\$ (4.50)	\$ 0.27
(Losses) earnings per common share—assuming dilution	\$ (1.75)	\$ (4.50)	\$ 0.26
Weighted average shares outstanding—basic	28,426	28,059	28,128
Weighted average shares outstanding—assuming dilution	28,426	28,059	28,533

See summary of significant accounting policies and notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
Years ended December 31, 2025, 2024 and 2023
(In thousands)

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Net (loss) income	\$ (49,882)	\$ (126,340)	\$ 7,519
Other comprehensive gain (loss)			
Foreign currency translation adjustment, net of tax effects	6,729	(12,766)	6,219
Comprehensive (loss) income	<u>\$ (43,153)</u>	<u>\$ (139,106)</u>	<u>\$ 13,738</u>

See summary of significant accounting policies and notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
Years ended December 31, 2025, 2024 and 2023
(In thousands, except share data)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensiv e loss	Retained Earnings	Treasury Stock		AVD Total
	Shares	Amount				Shares	Amount	
Balance, January 1, 2023	34,446,194	\$ 3,444	\$ 105,634	\$ (12,182)	\$ 328,745	5,029,892	\$ (55,662)	\$ 369,979
Stocks issued under ESPP	50,025	5	976	—	—	—	—	981
Cash dividends declared on common stock (\$0.12 per share)	—	—	—	—	(3,367)	—	—	(3,367)
Foreign currency translation adjustment, net	—	—	—	6,219	—	—	—	6,219
Stock based compensation	—	—	6,138	—	—	—	—	6,138
Stock options exercised, grants, termination, and vesting of restricted stock units (net of shares in lieu of taxes)	180,568	18	(1,938)	—	—	—	—	(1,920)
Shares repurchased	—	—	—	—	—	885,290	(15,539)	(15,539)
Net income	—	—	—	—	7,519	—	—	7,519
Balance, December 31, 2023	34,676,787	3,467	110,810	(5,963)	332,897	5,915,182	(71,201)	370,010
Stocks issued under ESPP	92,767	10	891	—	—	—	—	901
Cash dividends declared on common stock (\$0.06)	—	—	—	—	(1,675)	—	—	(1,675)
Foreign currency translation adjustment, net	—	—	—	(12,766)	—	—	—	(12,766)
Stock based compensation	—	—	4,412	—	—	—	—	4,412
Stock options exercised, grants, termination, and vesting of restricted stock units (net of shares in lieu of taxes)	24,994	2	(1,434)	—	—	—	—	(1,432)
Net loss	—	—	—	—	(126,340)	—	—	(126,340)
Balance, December 31, 2024	34,794,548	3,479	114,679	(18,729)	204,882	5,915,182	(71,201)	233,110
Stocks issued under ESPP	148,197	15	614	—	—	—	—	629
Foreign currency translation adjustment, net	—	—	—	6,729	—	—	—	6,729
Stock based compensation	—	—	2,016	—	—	—	—	2,016
Stock options exercised, grants, termination, and vesting of restricted stock units (net of shares in lieu of taxes)	(19,183)	(2)	(203)	—	—	—	—	(205)
Net loss	—	—	—	—	(49,882)	—	—	(49,882)
Balance, December 31, 2025	34,923,562	\$ 3,492	\$ 117,106	\$ (12,000)	\$ 155,000	5,915,182	\$ (71,201)	\$ 192,397

See summary of significant accounting policies and notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31, 2025, 2024 and 2023
(In thousands)

	2025	2024	2023
Cash flows from operating activities:			
Net (loss) income	\$ (49,882)	\$ (126,340)	\$ 7,519
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:			
Depreciation and amortization of property, plant and equipment and intangible assets	18,742	22,322	21,780
Amortization of other long-term assets	21	226	1,754
Amortization of deferred loan fees	1,906	536	254
Gain on disposal of property, plant and equipment	(75)	(1,000)	—
Impairment of assets	25,395	50,414	—
Provision for estimated credit losses	2,360	2,319	1,935
Stock-based compensation	2,016	4,412	6,138
Deferred income taxes	(1,351)	1,452	(9,710)
Changes in liabilities for uncertain tax positions or unrecognized tax benefits	(201)	(1,547)	(508)
Change in equity investment fair value	437	2,356	359
Lease obligations and non-cash lease expense, net	(147)	(37)	256
Unrealized foreign currency transaction (gains) losses	(193)	804	(581)
Changes in assets and liabilities associated with operations, net of business combinations:			
Decrease (increase) in receivables	7,697	7,481	(20,278)
Decrease (increase) in inventories	6,287	35,178	(27,315)
Decrease (increase) in income tax receivable/payable	(9)	(3,775)	3,568
(Increase) decrease in prepaid expenses and other assets	(8,638)	(687)	1,269
Increase (decrease) in accounts payable	15,434	3,714	(2,287)
Decrease in customer prepayments	(19,582)	(12,882)	(45,079)
(Decrease) increase in accrued program costs	(17,384)	1,775	7,244
(Decrease) increase in accrued expenses and other payables	(4,024)	17,202	(5,066)
Net cash (used in) provided by operating activities	(21,191)	3,923	(58,748)
Cash flows from investing activities:			
Capital expenditures	(3,919)	(7,279)	(11,878)
Proceeds from disposal of property, plant and equipment	477	1,065	242
Acquisitions of business and product line, net of cash acquired	—	—	(5,195)
Intangible assets	(165)	(409)	(186)
Net cash used in investing activities	(3,607)	(6,623)	(17,017)
Cash flows from financing activities:			
Payments under line of credit agreement	(223,465)	(294,356)	(172,500)
Borrowings under line of credit agreement	250,134	302,787	259,100
Payment of deferred loan fees	(3,389)	(850)	—
Net receipt from the issuance of common stock under ESPP	629	901	981
Net (payment) receipt from the exercise of stock options	(205)	—	46
Payment from common stock purchased for tax withholding	—	(1,432)	(1,967)
Repurchase of common stock	—	—	(15,539)
Payment of cash dividends	—	(2,510)	(3,384)
Net cash provided by financing activities	23,704	4,540	66,737
Net increase (decrease) in cash	(1,094)	1,840	(9,028)
Effect of exchange rate changes on cash	1,005	(742)	116
Cash at beginning of year	12,514	11,416	20,328
Cash at end of year	<u>\$ 12,425</u>	<u>\$ 12,514</u>	<u>\$ 11,416</u>

See summary of significant accounting policies and notes to the consolidated financial statements.

AMERICAN VANGUARD CORPORATION

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended December 31, 2025, 2024 and 2023

(Dollars in thousands, except per share data)

(1) Description of Business and Summary of Significant Accounting Policies

American Vanguard Corporation (the “Company” or “AVD”) is primarily a specialty solutions manufacturer that develops and markets safe synthetic, biological and biorational products for agricultural, commercial and consumer uses. The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. The Company’s Chief Executive Officer is the Chief Operating Decision Maker (CODM), and the Company operates within a single operating and reportable segment. The Company’s CODM makes strategic decisions based on the Company’s consolidated financial statements, and market opportunities and synergies across the entire organization. Therefore, the Company’s CODM allocates resources and assesses financial performance on a consolidated basis.

All U.S. Dollar amounts reflected in the notes to the consolidated financial statements are presented in thousands, except per share data.

Transformation – Transformation expenses on the consolidated statements of operations include costs related to the Company’s digital and structural transformation project. The digital transformation effort is intended to ensure that business process owners have access to current and complete data that has been generated through standardized systems and processes. The structural transformation effort is intended to improve operating leverage by applying business analytics to current operations, structures, products and services and identifying process improvements, as well as pricing and go-to-market strategies. Transformation expenses primarily include costs for consulting services, severance costs relating to the Company’s former CEO, and costs incurred in connection with the staffing and execution of the Company’s transformation initiatives. In addition, the Company has incurred costs associated with write-offs and write downs of certain assets.

Cost of Sales— Cost of sales primarily includes inventory procurement, production, warehousing, handling, and outbound freight. These costs include direct labor, materials, and manufacturing overhead. Depreciation and amortization expense included in cost of sales amounted to \$5,255, \$5,157, and \$6,599 for the years ended December 31, 2025, 2024, and 2023, respectively.

Advertising Expense—The Company expenses advertising costs in the period incurred. Advertising expenses are recognized as selling expenses in the consolidated statements of operations and were \$2,698, \$4,111 and \$5,736 in 2025, 2024 and 2023, respectively.

Research and Development Expense—Research and development expenses, which are included in research, product development and regulatory, in the consolidated statements of operations were \$8,889, \$10,933 and \$12,347 for the years ended December 31, 2025, 2024 and 2023, respectively

Cash—The Company maintains cash balances that exceed federally insured limits with a number of financial institutions. Cash includes legally restricted deposits held as compensating balances against the credit limit of one of the Company's credit cards. Restricted cash amounted to \$500 and \$0 at December 31, 2025 and 2024, respectively.

Inventories—Inventory is stated at the lower of cost or net realizable value. Cost is determined by the average cost method, and includes material, labor, factory overhead and subcontracting services.

The components of inventories, consist of the following:

	2025	2024
Finished products	\$ 148,961	\$ 154,628
Raw materials	27,073	24,664
Total inventories	<u>\$ 176,034</u>	<u>\$ 179,292</u>

Finished products consist of products that are sold to customers in their current form as well as intermediate products that require further formulation to be saleable to customers.

Leases— The Company has operating leases for warehouses, manufacturing facilities, offices, cars, railcars and certain equipment for which operating lease right-of-use (“ROU”) assets and corresponding lease liabilities are recorded. The Company measures ROU assets throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, plus any prepaid lease payments, less the unamortized balance of lease incentives received. The lease liabilities are measured at the present value of the unpaid lease payments at the lease commencement date. Leases that include both lease and non-lease components are accounted for as a single lease component for each asset class, except for real estate leases.

The minimum payments under operating leases are recognized on a straight-line basis over the lease term in the consolidated statements of operations. Operating lease expenses related to variable lease payments are recognized in cost of sales or as operating expenses in a manner consistent with the nature of the underlying lease and as the events, activities, or circumstances in the lease agreement occur. Leases with a term of less than 12 months are not recognized on the consolidated balance sheets, and the related lease expenses are recognized in the consolidated statements of operations on a straight-line basis over the lease term. The related expense was immaterial during the years ended December 31, 2025, 2024, and 2023.

Accounting for leases requires the Company to exercise judgment and make estimates in determining the applicable discount rate, lease term and payments due under a lease. Most of our leases do not provide an implicit interest rate, nor is it available to us from our lessors. As an alternative, the Company uses our estimated incremental borrowing rate, which is derived from information available at the lease commencement date, including publicly available data, in determining the present value of lease payments. The Company also estimated the fair value of the lease and non-lease components for some of our warehouse leases based on market data and cost data.

The lease term includes the non-cancellable period of the lease plus any additional periods covered by either an option to extend (or not terminate) that the Company is reasonably certain to exercise. The Company has leases with a lease term ranging from 1 year to 20 years.

The operating leases of the Company do not contain major restrictions or covenants such as those relating to dividends or additional financial obligations. Finance leases are immaterial to the consolidated financial statements. There were no lease transactions with related parties during 2025, 2024 and 2023.

The operating lease expense for the years ended December 31, 2025, 2024 and 2023 was \$7,433, \$7,687 and \$7,579, respectively. Lease expenses related to variable lease payments and short-term leases were immaterial. Additional information related to operating leases are as follows:

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
Cash paid for amounts included in the measurement of lease liabilities	\$ 7,577	\$ 7,718	\$ 7,333
ROU assets obtained in exchange for new lease liabilities	\$ 3,505	\$ 4,628	\$ 4,466

The weighted-average remaining lease term and discount rate related to the operating leases as of December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
Weighted-average remaining lease term (in years)	3.93	4.49
Weighted-average discount rate	5.16%	4.88%

Future minimum lease payments under non-cancellable operating leases as of December 31, 2025 were as follows:

2026	\$	6,382
2027		4,549
2028		3,118
2029		2,223
2030		1,459
Thereafter		1,437
Total lease payments	\$	19,168
Less: imputed interest		(1,782)
Total	\$	17,386
Amounts recognized in the consolidated balance sheets:		
Operating lease liabilities, current	\$	5,765
Operating lease liabilities, long term	\$	11,621

Revenue Recognition— The Company recognizes revenue when control of the ordered goods or services are transferred to its customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. Amounts billed for shipping and handling activities after the transfer of control to the customer are considered fulfillment activities and are recognized as revenue. The costs are accrued when the related revenue is recognized. Taxes collected from customers relating to product sales and remitted to governmental authorities are excluded from revenues. The Company sells its products mainly to distributors and retailers. In addition, the Company also sells its products direct to end users internationally. The products include insecticides, herbicides, soil fumigants, fungicides and biologicals. In addition, the Company recognizes royalty income related to licensing arrangements which qualify as functional licenses rather than symbolic licenses. These license agreements typically include non-refundable up-front fees and minimum guaranteed royalty payments. These fees are allocated to the performance obligations and recognized as revenue as the performance obligations are met. These performance obligations are typically met at a point in time. Sales-based royalties are not recognized as revenue until the underlying sales have occurred. Selective enterprise information of sales disaggregated by category and geographic region is as follows:

	2025	2024	2023
Net sales:			
U.S. crop	\$ 221,391	\$ 228,327	\$ 269,229
U.S. non-crop	90,290	82,400	75,287
Total U.S.	311,681	310,727	344,516
International	203,433	236,579	234,855
Total net sales	\$ 515,114	\$ 547,306	\$ 579,371

Beginning January 1, 2025, the Company implemented a new organization structure, as part of its business transformation actions, and began servicing Canadian customers as part of its U.S. Crop business. The associated sales are now reported as U.S. Crop net sales. Canadian sales were reported within international net sales and amounted to \$6,300 and \$12,268 for the years ended December 31, 2024 and 2023, respectively.

Contract Assets— Contract assets relate to royalties earned on certain functional licenses granted for the use of the Company's intellectual property. At December 31, 2025, the contract assets amounted to \$8,250 and are included in other assets on the consolidated balance sheets. The Company did not have any contract assets as of December 31, 2024.

Accrued Program Costs— The Company offers various discounts to customers based on purchases within a defined period, other pricing adjustments, some grower volume incentives or other key performance indicator driven incentives to distributors, retailers or growers, usually at the end of a growing season. The Company describes these payments made to customers as a result of these incentives and discounts as “Programs.” Programs are a critical part of doing business in both the U.S. crop and non-crop chemicals marketplaces. These discount Programs represent variable consideration. Revenues from sales are recorded at the net sales price, which is the transaction price, less an estimate of variable consideration which the Company expects to pay to its customers. Depending on the nature of the program, the Company uses either the expected value or most likely amount method for determining the estimated variable consideration. Each quarter the Company compares individual sale transactions with Programs to determine what, if any, Program liabilities have been incurred. Once this initial calculation is made for the specific quarter, sales and marketing management, along with executive and financial management, review the accumulated Program balance and, for volume driven payments, make assessments of whether or not customers are tracking in a manner that indicates that they will meet the requirements set out in agreed upon terms and conditions attached to each Program. Following this assessment, the Company adjusts the accumulated accrual to properly reflect the liability at the balance sheet date. Programs are paid out predominantly on an annual basis, usually in the final quarter of the financial year or the first quarter of the following year.

Customer Prepayments—From time to time, the Company receives prepayments from customers which are recorded as customer prepayments on the Company’s consolidated balance sheets. The Company does not recognize revenue on any such payments until the customer places binding purchase orders, the goods are shipped, and control is transferred to the customer. Revenue recognized for the years ended December 31, 2025, 2024, and 2023 that were included in the customer prepayments balance at the beginning of 2025, 2024, and 2023 was \$52,675, \$64,947, and \$88,097, respectively. The Company made refunds in the amount of \$0 and \$613 to customers for the year ended December 31, 2025 and 2024, respectively.

Current Expected Credit Losses— The Company maintains an allowance to cover its Current Expected Credit Losses (“CECL”) on its trade receivables, other receivables and contract assets arising from the possible failure of customers to make contractual payments. The Company estimates credit losses expected over the life of its trade receivables, other receivables and contract assets based on historical information combined with current conditions that may affect a customer’s ability to pay and reasonable and supportable forecasts. In most instances, the Company’s policy is to write off trade receivables when they are deemed uncollectible regarding likely future payments. The vast majority of the Company’s trade receivables, other receivables and contract assets are due in less than 365 days. Under the CECL impairment model, the Company develops and documents its allowance for credit losses on its trade receivables based on multiple portfolios. The determination of portfolios is based primarily on geographical location, type of customer and accounts receivables aging. A roll-forward of the allowances for current expected credit losses is presented in supplemental information.

Deferred Loan Fees— These fees in connection with the Company’s senior credit facility are capitalized and amortized on a straight-line basis over the life of the borrowing and included in interest expense, net.

Property, Plant and Equipment and Depreciation— Property, plant and equipment includes the cost of land, buildings, machinery and equipment, office furniture and fixtures, automobiles, construction projects and improvements to existing plant and equipment. Interest costs related to construction projects are capitalized at the Company’s current weighted average effective interest rate. Expenditures for minor repairs and maintenance are expensed as incurred. When property or equipment is sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts and the gain or loss realized on disposition is reflected in operations. All plant and equipment are depreciated using the straight-line method, utilizing the estimated useful lives.

Business Combinations— The Company uses its best estimates and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. The Company’s estimates are inherently uncertain and subject to refinement. During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill or an adjustment to the gain from a bargain purchase. In addition, when appropriate uncertain tax positions and tax-related valuation allowances are initially recorded in connection with a business combination as of the acquisition date. The Company continues to collect information and re-evaluates these estimates and assumptions quarterly and records any adjustments to the Company’s preliminary estimates to goodwill or an adjustment to the gain from a bargain purchase, provided that the Company is within the measurement period. Upon the conclusion of the measurement period or final determination of the fair value of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the Company’s consolidated statement of operations.

Asset Acquisitions— If an acquisition of an asset or group of assets does not meet the definition of a business, the transaction is accounted for as an asset acquisition rather than a business combination. An asset acquisition does not result in the recognition of goodwill and transaction costs are capitalized as part of the cost of the asset or group of assets acquired. The Company uses its best estimates and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. The acquisitions costs are allocated to the assets acquired on a relative fair value basis.

Intangible Assets— The primary identifiable intangible assets of the Company relate to assets associated with its product and business acquisitions. All the Company’s intangible assets are amortizing assets with finite lives. The estimated useful life of an identifiable intangible asset is based upon several factors including the effects of demand, competition, and expected changes in the marketability of the Company’s products.

Impairment— The carrying values of long-lived assets other than goodwill are reviewed for impairment annually and/or whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. The Company evaluates recoverability of an asset group by comparing the carrying value to the future undiscounted cash flows that it expects to generate from the asset group. If the comparison indicates that the carrying value of an asset group is not recoverable, measurement of the impairment loss is based on the fair value of the asset.

The Company recorded impairment charges of the carrying value of long-lived assets of \$4,354 and \$23,365 for the years ended December 31, 2025 and 2024, respectively. No such impairment charge was recorded for the year ended December 31, 2023.

The Company annually tests goodwill for impairment on October 1, or earlier if triggering events occur. If the Company decides that it is appropriate to perform a qualitative assessment and concludes that the fair value of a reporting unit more likely than not exceeds its carrying value, no further evaluation is necessary. If the Company performs a quantitative assessment, the Company compares the fair value of a reporting unit with its carrying value and recognizes an impairment charge for the amount that the carrying value exceeds the reporting unit’s fair value. The determination of a reporting unit’s fair value includes the Company’s use of a discounted cash flows model and a market approach. Key assumptions in the discounted cash flow include, but are not limited to, discount rates, future net sales growth, gross margins, expenses, capital expenditures, and terminal growth rates. The market approach key assumption relates to the earnings before interest, taxes, depreciation, and amortization (EBITDA) multiples.

As of October 1, 2025, the Company conducted its most recent annual impairment test by quantitatively testing its goodwill which relates entirely to its international reporting unit. Based on the results of the quantitative test, the carrying value of the international reporting unit exceeded its respective fair value by \$23,816. As a result, the Company recorded a full impairment charge of its remaining goodwill balance in the amount of \$21,040 during the year ended December 31, 2025.

In 2024, the Company conducted its annual goodwill impairment test on October 1, 2024. Based on the results of the quantitative test, the Company concluded that goodwill related to its domestic reporting unit in the amount of \$9,131 was fully impaired. The carrying value of the international reporting unit exceed its respective fair value by \$17,918. Based on the results of the quantitative test, the Company recorded goodwill impairments in the amount of \$9,131 and \$17,918 for the domestic and international reporting units during the year ended December 31, 2024, respectively. No impairment loss was recorded in 2023.

Fair Value of Financial Instruments— The accounting standard for fair value measurements provides a framework for measuring fair value and requires expanded disclosures regarding fair value measurements. Fair value is defined as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. This accounting standard established a fair value hierarchy, which requires an entity to maximize the use of observable inputs, where available. The following summarizes the three levels of inputs required:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – Inputs that are generally unobservable and typically reflect management’s estimate of assumptions that market participants would use in pricing the asset or liability.

The Company did not have any significant Level 1 investments as of December 31, 2025. The Company's equity investment in Clean Seed Capital Group Ltd. was a Level 1 investment as of December 31, 2024 (see Note 13 – Equity Investments).

The carrying amount of the Company’s financial instruments, which principally include cash, accounts receivable, accounts payable and accrued expenses, approximates fair value because of the relatively short maturity of such instruments. The carrying amount of the Company’s borrowings, approximates fair value as they bear interest at a variable rate that represents current market rates.

Foreign Currency Translation— Certain international operations use the respective local currencies as their functional currency, while other international operations use the U.S. Dollar as their functional currency. The Company considers the U.S. Dollar as its reporting currency. Translation adjustments for subsidiaries where the functional currency is its local currency are included in other comprehensive (loss) income. Foreign currency transaction gains (losses) resulting from exchange rate fluctuation on transactions denominated in a currency other than the functional currency are reported in earnings. Assets and liabilities of the foreign operations denominated in local currencies are translated at the rate of exchange at the balance sheet date. Revenues and expenses are translated at the weighted average rate of exchange during the period. Translations of intercompany loans of a long-term investment nature are included as a component of translation adjustment in other comprehensive income (loss).

Income Taxes—The Company utilizes the asset and liability method of accounting for income taxes as set forth in ASC 740. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is more likely than not that some of the deferred tax assets will not be realized. In determining the need for valuation allowances, the Company considers projected future taxable income and the availability of tax planning strategies. If in the future the Company determines that it will not be able to realize its recorded deferred tax assets, an increase in the valuation allowance would be recorded, decreasing earnings in the period in which such determination is made.

The Company assesses its income tax positions and records tax benefits for all years subject to examination based upon the Company’s evaluation of the facts, circumstances, and information available at the reporting date. For those tax positions where there is greater than 50% likelihood that a tax benefit will be sustained, the Company has recorded the largest amount of tax benefit that may potentially be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where there is less than 50% likelihood that a tax benefit will be sustained, no tax benefit has been recognized in the consolidated financial statements.

Per Share Information—Basic earnings per share (“EPS”) is computed as net income divided by the weighted average number of shares of common stock outstanding during the period. Diluted EPS reflects potential dilution to EPS that could occur if securities or other contracts, which, for the Company, consists of restricted stock grants and options to purchase shares of the Company’s common stock, are exercised as calculated using the treasury stock method.

The components of basic and diluted earnings per share were as follows:

	2025	2024	2023
Numerator:			
Net (loss) income	\$ (49,882)	\$ (126,340)	\$ 7,519
Denominator:			
Weighted average shares outstanding—basic	28,426	28,059	28,128
Dilutive effect of stock options and grants	—	—	405
Weighted average shares outstanding—diluted	28,426	28,059	28,533

Due to net losses for the years ended December 31, 2025 and 2024, stock options and other grants were excluded from the computation of diluted net loss per share as they would be anti-dilutive. For the year ended December 31, 2023, no stock options or grants were excluded from the computation of diluted net income because none were anti-dilutive. Unvested shares that are considered legally issued are excluded from the computation.

Use of Estimates—The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires the Company to make estimates and assumptions that affect the reported amounts of assets, liabilities, and revenues, at the date that the consolidated financial statements are prepared. Significant estimates relate to the allowance for expected credit losses, inventory valuation, impairment of long-lived assets, investments and goodwill, assets acquired, and liabilities assumed in connections with business combinations and asset acquisitions, accrued program costs, stock-based compensation and income taxes. Actual results could materially differ from those estimates.

Total comprehensive (loss) income—In addition to net (loss) income, total comprehensive (loss) income includes changes in equity that are excluded from the consolidated statements of operations and are recorded directly into a separate section of stockholders’ equity on the consolidated balance sheets. For the years ended December 31, 2025, 2024 and 2023, total comprehensive (loss) income consisted of net loss and foreign currency translation adjustments.

Stock-Based Compensation—The Company estimates the fair value of share-based payment awards on the date of grant. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in the Company’s consolidated statements of operations. Compensation expense on awards subject to performance conditions is based on the quantity of awards that is probable of vesting.

Stock-based compensation expense recognized is reduced for estimated forfeitures. Estimated forfeitures recognized in the Company’s consolidated statements of operations reduced compensation expense by \$41, \$67, and \$322 for the years ended December 31, 2025, 2024, and 2023, respectively. The Company estimates that 20.6% of restricted stock grants and performance-based restricted shares and 13.7% of stock option grants that are currently subject to vesting will be forfeited. These estimates are reviewed quarterly and revised as necessary.

The Company values restricted stock grants using the Company’s traded stock price at closing on the date of grant. For issuances of performance stock units subject to market vesting conditions, the Company calculates the fair value of the award using a Monte Carlo simulation valuation model on the grant date. The Company determines the grant-date fair value of option grants using the Black-Scholes option-pricing model and the Monte Carlo simulation valuation model for stock options subject to a market vesting/exercisability conditions.

Recently Adopted Accounting Guidance—In December 2023, the FASB issued ASU No. 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures.” The ASU includes amendments requiring enhanced income tax disclosures, primarily related to standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. The Company adopted this ASU on a prospective basis effective January 1, 2025. Refer to Note 4.

Recently Issued Accounting Guidance—In November 2024, the FASB issued ASU No. 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses", and in January 2025, the FASB issued ASU No. 2025-01, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date". ASU 2024-03 requires public companies to disclose, in interim and reporting periods, additional information about certain expenses in the financial statements. For public business entities, ASU 2024-03, as clarified by ASU 2025-01, is effective for the first annual reporting period beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. Early adoption of ASU 2024-03 is permitted. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements.

In July 2025, the FASB issued ASU No. 2025-05, "Financial Instruments - Credit Losses (Topic 326)". This update introduces a practical expedient for all entities and an accounting policy election other than public business entities related to applying Subtopic 326-20 to current accounts receivable and current contract assets arising from transactions accounted for under Topic 606. It is effective for fiscal years beginning after December 15, 2025 and interim periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements.

The Company reviewed all other recently issued accounting pronouncements and concluded that they were either not applicable or not expected to have a significant impact on its consolidated financial statements.

(2) Property, Plant and Equipment

Property, plant and equipment at December 31, 2025 and 2024 consist of the following:

	2025	2024	Estimated useful lives
Land	\$ 2,761	\$ 2,755	
Buildings and improvements	20,494	21,124	10 to 40 years
Machinery and equipment	149,715	146,662	3 to 25 years
Office furniture, fixtures and equipment	5,799	5,201	3 to 10 years
Automotive equipment	910	1,039	5 to 20 years
Construction in progress	2,094	2,299	
Total gross value	<u>181,773</u>	<u>179,080</u>	
Less accumulated depreciation	<u>(128,737)</u>	<u>(120,911)</u>	
Total net value	<u>\$ 53,036</u>	<u>\$ 58,169</u>	
Domestic	\$ 50,034	\$ 54,643	
International	3,002	3,526	
Total net value	<u>\$ 53,036</u>	<u>\$ 58,169</u>	

For the years ended December 31, 2025, 2024 and 2023, the Company’s aggregate depreciation expense related to property, plant and equipment was \$6,692, \$8,983 and \$8,352, respectively. For the years ended December 31, 2025, 2024 and 2023, the Company disposed fully depreciated assets in the amount of \$1,134, \$876, and \$4,056, respectively. For the year ended December 31, 2025, the Company recorded impairment charges related to specific fixed assets that support its PCNB product line manufacturing in the amount of \$2,552, and in 2024, the Company recorded impairment charges relating to its investment in its SIMPAS assets in the amount of \$14,020. Interest capitalized amounted to \$85, \$396 and \$567 for the years ended December 31, 2025, 2024 and 2023, respectively.

(3) Long-Term Debt

Long-term debt of the Company at December 31, 2025 and 2024 is summarized as follows:

	2025	2024
Senior credit facility	\$ 174,000	\$ 147,332
Less deferred loan fees	(3,015)	(1,532)
	<u>\$ 170,985</u>	<u>\$ 145,800</u>

The Company and certain of its affiliates were parties to a senior credit facility agreement entitled the “Third Amended and Restated Loan and Security Agreement” dated as of August 5, 2021 (the “Credit Agreement”), which is a senior secured lending facility among AMVAC, the Company’s principal operating subsidiary, as Agent (including the Company and AMVAC BV), as “Borrowers”, on the one hand, and a group of commercial lenders led by BMO Bank, N.A. (formerly Bank of the West) as administrative agent, documentation agent, syndication agent, collateral agent and sole lead arranger, on the other hand. The Credit Agreement initially consisted of a line of credit of up to \$275,000, an accordion feature of up to \$150,000, a letter of credit and swingline sub-facility (each having limits of \$25,000) and had a maturity date of August 5, 2026. The Credit Agreement has undergone twelve amendments since 2021.

Under the Credit Agreement, revolving loans bore interest at a variable rate based, at borrower’s election with proper notice, on either (i) SOFR plus 0.1% per annum and the “Applicable Margin” or (ii) the greater of (x) the Prime Rate, (y) the Federal Funds Rate plus 0.5%, and (z) the Daily One-Month SOFR Rate plus 1.10%, plus, in the case of (x), (y) or (z), the Applicable Margin (“Adjusted Base Rate Revolver Loan”). Interest payments for SOFR Revolver Loans were payable on the last day of each interest period (either one-, three- or nine- months, as selected by the Company) and the maturity date, while interest payments for Adjusted Base Rate Revolver Loans were payable on the last business day of each month and the maturity date.

On August 18, 2025, AMVAC, as borrower, and affiliates (including Registrant), as guarantors and/or borrowers, entered into Amendment Number Twelve (the “Amendment”) to the Credit Agreement. The Amendment extended the maturity date of the Credit Agreement from August 5, 2026, to December 31, 2026, and amended the borrowing capacity under the revolving credit facility to \$245,000 through November 29, 2025, then \$225,000 until December 30, 2025, then \$200,000 until March 31, 2026 and then \$180,000 through December 31, 2026. The Amendment also included additional changes to the Credit Agreement, including: (i) amending the applicable margins for the applicable interest rates and unused line fee and letter of credit fee; (ii) adding a year-to-date Consolidated EBITDA requirement of \$4,500 as of June 30, 2025, \$9,500 as of September 30, 2025 and \$35,000 as of December 31, 2025 and a TTM Consolidated EBITDA requirement of not less than \$37,500 as of March 31, 2026; (iii) requiring the Company to make prepayments on the loans once the Company’s cash balance exceeds a threshold; and (iv) suspending the Total Leverage Ratio covenant until June 30, 2026 and then applying a fiscal quarter end ratio of 4.00:1.00.

On March 13, 2026, AMVAC, as borrower, and affiliates (including Registrant), as guarantors, entered into two loan agreements that, in effect, entirely refinanced the previously existing Credit Agreement. The first is a Credit and Guaranty Agreement with Wilmington Trust, National Association, as administrative agent, and a group of lenders led by Centerbridge Partners, L.P., under the terms of which lenders provide a senior, secured term loan in the aggregate principal amount of \$225,000 (the “First Priority Term Loan”). The First Priority Term Loan includes a five-year term, initial interest at SOFR (minimum of 3.0%) + 8.25 (with three potential stepdowns of 50bps each upon achievement of 1X, 1.5X and 2.0X inside closing net leverage ratio), amortization of 1.0% per annum, a no-call provision in year one (with potential for full repayment thereafter with additional exit fees), and two financial covenants - namely, a) a first lien debt-to-EBITDA ratio starting at 6.7X and stepping down to 4.0X by the fourth quarter of 2028, and b) a minimum liquidity requirement ranging from \$20,000 to \$45,000 on a monthly schedule through the fourth quarter of 2027, and increasing to \$50,000 in January of 2028 and thereafter. Borrower may repay up to \$35,000 per annum without incurring premium interest.

The second is a Credit and Guaranty Agreement with BMO Bank, N.A., as agent, and other lenders, under the terms of which lenders provide a second priority term loan in the aggregate principal amount of \$60,000 (the “Second Priority Term Loan”). The Second Priority Term Loan is subordinate to the First Priority Term Loan, includes a five-year term, initial interest at SOFR + 2.0, amortization of 10% per annum starting in the third quarter of 2027, no prepayment penalty and no financial covenants.

The interest rate on December 31, 2025, was 9.11%. Interest incurred, including amortization of deferred loan fees, was \$18,452, \$16,054, and \$12,391 for the years ended December 31, 2025, 2024 and 2023, respectively.

Substantially all the Company's assets are pledged as collateral under the Credit and Guaranty Agreement. The Company is also prevented from paying cash dividends to shareholders or making repurchases of its capital stock.

(4) Income Taxes

The provision for income taxes are:

	2025	2024	2023
Current:			
Federal	\$ (367)	\$ (1,131)	\$ 8,038
State	6	(271)	1,211
Foreign	4,445	5,629	3,238
	<u>4,084</u>	<u>4,227</u>	<u>12,487</u>
Deferred:			
Federal	(352)	783	(6,263)
State	99	1,208	(1,029)
Foreign	(1,152)	(336)	(2,417)
	<u>(1,405)</u>	<u>1,655</u>	<u>(9,709)</u>
Total	<u>\$ 2,679</u>	<u>\$ 5,882</u>	<u>\$ 2,778</u>

The table below provides the updated requirements of ASU 2023-09 for 2025. Total income tax expense differed from the amounts computed by applying the U.S. Federal income tax rate of 21.0% to income before income tax expense, as a result of the following:

	2025	
	Amount	Percentage
Computed tax expense at statutory federal rates	(9,912)	21.0%
Increase (decrease) in taxes resulting from:		
State taxes, net of federal income tax benefit (1)	115	-0.2%
Foreign tax effects:		
Panama		
Other	(518)	1.1%
Nicaragua		
Change in Valuation Allowance	845	-1.8%
Other	181	-0.4%
Brazil		
Foreign Rate Differential	(1,139)	2.4%
Goodwill Impairment	2,882	-6.1%
Other	142	-0.3%
Australia		
Goodwill Impairment	700	-1.5%
Other	(59)	0.1%
Costa Rica		
Foreign Rate Differential	(858)	1.8%
Goodwill Impairment	2,809	-6.0%
Other	88	-0.2%
Other foreign jurisdictions	512	-1.1%
Effect of cross-border tax laws:		
Subpart F Income	648	-1.4%
Tax credits		
Research and development ("R&D") credits	(171)	0.4%
Changes in valuation allowance	5,463	-11.6%
Nontaxable or nondeductible items:		
Equity compensation	573	-1.2%
Other	362	-0.8%
Changes in unrecognized tax benefits	(115)	0.2%
Other adjustments:		
Return to provision	(159)	0.3%
Other	290	-0.6%
Total	<u>2,679</u>	<u>-5.9%</u>

(1) State taxes in Illinois, Alabama, Florida, Minnesota, Pennsylvania, Louisiana, California, and North Carolina made up the majority (greater than 50%) of the tax effect in this category.

As previously disclosed for the years ended December 31, 2024 and 2023, prior to the adoption of ASU 2023-09, the total income tax expense differed from the amounts computed by applying the U.S. Federal income tax rate of 21.0% to income before income tax expense, as a result of the following:

	<u>2024</u>	<u>2023</u>
Computed tax expense at statutory federal rates	\$ (25,296)	\$ 2,162
Increase (decrease) in taxes resulting from:		
State taxes, net of federal income tax benefit	(3,117)	756
Unrecognized tax benefits	(191)	(585)
Income tax credits	(288)	(720)
Foreign tax rate differential	(2,599)	1,025
Stock based compensation	685	219
Global intangible low-taxed income	—	685
Change in valuation allowance	29,730	1,376
Return to provision	(1,189)	158
Nondeductible expenses / (tax deductions)	2,161	(327)
Gross receipts taxes	398	425
Goodwill impairment	6,471	
IP migration	—	(2,455)
Other	(883)	59
Total	<u>\$ 5,882</u>	<u>\$ 2,778</u>

(Loss) income before provision for income taxes is as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Domestic	\$ (36,290)	\$ (103,918)	\$ 6,672
International	(10,913)	(16,540)	3,625
Total	<u>\$ (47,203)</u>	<u>\$ (120,458)</u>	<u>\$ 10,297</u>

Temporary differences between the consolidated financial statements' carrying amounts and tax bases of assets and liabilities that give rise to significant portions of the net deferred tax liability at December 31, 2025 and 2024 relate to the following:

	2025	2024
Deferred tax assets		
Inventories	\$ 6,083	\$ 9,322
Program accrual	8,790	10,486
Vacation pay accrual	685	682
Accrued bonuses and severance	860	882
Bad debt expense	3,323	2,550
Stock compensation	620	1,047
Domestic NOL carryforward	9,319	4,604
Foreign NOL carryforward	7,180	6,297
Tax credits	1,892	1,794
Lease liability	3,578	5,078
Accrued expenses	527	678
Accrued product liability	1,858	—
Unrealized foreign exchange loss	1,152	2,521
Capitalized R&D costs	5,384	7,587
Disallowed interest expense	7,964	3,670
Other	1,298	—
Deferred tax assets	60,513	57,198
Less valuation allowance	(41,386)	(33,855)
Deferred tax assets, net	\$ 19,127	\$ 23,343
Deferred tax liabilities		
Plant and equipment	\$ (19,346)	\$ (22,686)
Lease assets	(3,414)	(4,895)
Prepaid expenses	(1,881)	(1,809)
Other	—	(700)
Deferred tax liabilities	\$ (24,641)	\$ (30,090)
Total net deferred tax liabilities	\$ (5,514)	\$ (6,747)

Certain 2024 balances were reclassified to conform with the 2025 presentation.

As of December 31, 2025, the Company maintained a full valuation allowance against its net deferred income tax assets related to the Company's operations in the United States, Brazil, Dominican Republic, Honduras, Nicaragua, Hong Kong, Spain, and Ukraine totaling \$41,386. The valuation allowance increased by \$7,531 for the year ended December 31, 2025, of which \$308 relates to unrealized foreign exchange gains and foreign currency translation included in other comprehensive (loss) income for 2025, and \$7,839 included in the provision for income taxes for 2025. As of December 31, 2024, the Company maintained a full valuation allowance against the net deferred income tax assets related to the Company's operations in the United States, Brazil, Dominican Republic, Honduras, Hong Kong, Spain, and Ukraine totaling \$33,855.

Gross foreign NOLs related to the Company's foreign operations were \$22,231 and \$19,577, for the years ended December 31, 2025 and 2024, respectively. Substantially all of the Company's foreign NOLs can be carried forward indefinitely.

Gross domestic federal and state NOLs available across all jurisdictions in which we operate were \$76,166 and \$30,062 as of December 31, 2025 and 2024, respectively. The Company's federal NOL can be carried forward indefinitely and is subject to annual limitations in accordance with IRC Section 382. The Company's state NOLs expire over varying intervals in the future and are subject to annual limitations in accordance with IRC Section 382.

The following is a roll-forward of the Company's total gross unrecognized tax benefits, not including interest and penalties, for the years ended December 31, 2025 and 2024 included in other liabilities on the Company's consolidated balance sheets:

	2025	2024
Balance at beginning of year	\$ 903	\$ 1,796
Additions for tax positions related to the current year	97	63
Additions for tax positions related to the prior years	48	—
Reduction for tax positions related to the prior years	(235)	(995)
Effect of exchange rate changes	—	39
Balance at end of year	<u>\$ 813</u>	<u>\$ 903</u>

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in the provision for income taxes in the Company's consolidated financial statements. As of December 31, 2025 and 2024, the Company incurred \$138 in both years in interest and penalties related to unrecognized tax benefits on its consolidated balance sheets.

The Company believes it is more likely than not that the deferred assets detailed in the table above, exclusive of those in the United States, Brazil, Dominican Republic, Honduras, Nicaragua, Hong Kong, Spain, and Ukraine with the previously mentioned full valuation allowances, will be realized in the normal course of business. It is the intent of the Company that undistributed earnings of foreign subsidiaries that amounted to \$102,873 at December 31, 2025, are permanently reinvested. Determination of the unrecognized deferred tax liability is not practical due to the complexities of a hypothetical calculation.

The Company is subject to U.S. federal income tax as well as to income tax in multiple state jurisdictions. Federal income tax returns of the Company are subject to Internal Revenue Service ("IRS") examination for the 2022 through 2024 tax years. State income tax returns are subject to examination for the 2021 through 2024 tax years. The Company has foreign income tax returns subject to examination.

On July 4, 2025, new U.S. tax legislation was signed into law (known as the "One Big Beautiful Bill Act" or "OBBBA") which makes permanent many of the tax provisions enacted in 2017 as part of the Tax Cuts and Jobs Act that were set to expire at the end of 2025. The Company has accounted for the impact of the new legislation during the year ended December 31, 2025 and the impact is not material to the results of operations.

Beginning in 2022, The Tax Cuts and Jobs Act of 2017 ("TCJA"), requires taxpayers to capitalize and amortize research and development expenditures pursuant to Internal Revenue Code, or IRC, Section 174. The enactment of the OBBBA repealed IRC Section 174 for tax years beginning after December 31, 2024. As of December 31, 2024, IRC Section 174 resulted in increases in the Company's deferred tax asset balance of \$7,587. There was an increase in cash tax payments in the amount of \$1,431 for the year ended December 31, 2024.

(5) Litigation and Environmental

The Company records a liability on its consolidated financial statements for loss contingencies when a loss is known or considered probable, and the amount can be reasonably estimated. When determining the estimated loss or range of loss, significant judgment is required to estimate the amount and timing of a loss to be recorded. The Company recognizes legal expenses in connection with loss contingencies as incurred.

Department of Justice and Environmental Protection Agency Investigation. On October 25, 2024, the U.S. District Court for the Southern District of Alabama approved, and entered a plea agreement pursuant to which the Company had entered a plea of guilty to one count of transporting hazardous waste without a waste manifest. This matter arose from the reimportation of used, substantially empty containers in 2014. Under the terms of the plea agreement, the Company paid a fine and entered into a three-year probation during which it will be subject to an environmental compliance plan, the form of which is currently before the court for its approval.

DBCP Cases

Over the course of the past 30 years, AMVAC and/or the Company have been named or otherwise implicated in a number of lawsuits concerning injuries allegedly arising from either contamination of water supplies or personal exposure to 1, 2-dibromo-3-chloropropane (“DBCP®”). DBCP was manufactured by several chemical companies, including Dow Chemical Company, Shell Oil Company and AMVAC (which ceased manufacture in about 1980) and was approved by the USEPA to control nematodes. DBCP was also applied on banana farms in Latin America. The USEPA suspended registrations of DBCP in October 1979, except for use on pineapples in Hawaii. That suspension was partially based on 1977 studies by other manufacturers that indicated a possible link between male fertility and exposure to DBCP among their factory production workers involved with producing the product.

Delaware DBCP Cases

Chavez & Marquinez. Two cases were filed independently in 2012 by the same law firm (HendlerLaw, P.C.) in Louisiana and Delaware involving claims on behalf of banana workers for personal injury allegedly arising from exposure to DBCP. Through several years of law and motion practice, the number of plaintiffs in the actions has been reduced from about 2,750 to 290 banana workers from Costa Rica, Ecuador, Guatemala and Panama, and both cases have been consolidated before the United States District Court for the District of Delaware (USDC DE No. 1:12-CV-00695 & 00697). Discovery commenced in 2018 and has consisted largely of seeking medical examinations from the remaining plaintiffs. In December 2022, defendants in this matter filed a motion for summary judgment against the Ecuadorian plaintiffs under the theory that the statute of limitations for negligence barred the action. In January 2024, the court denied defendants’ motion for summary judgment on the basis of “the most analogous case” doctrine. After further dismissals by plaintiffs’ counsel, about 40 claimants remain in the action. Trial dates have been tentatively scheduled for the first half of 2026 in groups of ten. On December 21, 2025, defendants, including AMVAC, brought motions for summary judgment against all claimants for various reasons, including, in the case of AMVAC, that no claimant had been able to testify under oath that he had ever heard of AMVAC or had been exposed to the Company’s product. At this stage in the proceedings, the Company does not believe that a loss is probable or reasonably estimable and has not recorded a loss contingency for these matters.

Other Matters

Pitre etc. v. Agrocentre Ladauniere et al. On February 11, 2022, a strawberry grower named Les Entreprises Pitre, Inc. filed a complaint in the Superior Court, District of Labelle, Province of Quebec, Canada, entitled *Pitre, etc. v. Agrocentre Ladauniere, Inc. et al, including Amvac Chemical Corporation*, seeking damages in the amount of approximately \$5,000 arising from stunted growth of, and reduced yield from, its strawberry crop allegedly from the application of Amvac’s soil fumigant, Vapam, in spring of 2021. Examinations of plaintiff were held in mid-August 2022, during which plaintiff in effect confirmed that he had planted his seedlings before expiration of the full time interval following product application (as per the product label), that he had failed to follow the practice of planting a few test seedlings before planting an entire farm, and that he had placed his blind trust in his application adviser on all manner of timing and rate. An examination of the Company’s most knowledgeable witness took place in April 2024. Follow-up undertakings (discovery requests) continued thereafter. A trial date has been set to take place in about three years. The Company believes that the claims have no merit and intends to defend the matter. At this stage in the proceedings, there is not sufficient information to form a judgment as to either the probability or amount of loss; thus, the company has not set aside a reserve in connection with this matter.

Marathon Product Recall Matter. Beginning early in the second quarter of 2025, the Company received customer complaints alleging injury to ornamental plants from the application of up to four lots (having a value of about \$350) of granular insecticide sold by Company subsidiary OHP Inc. for use on potted plants and hanging baskets. As acknowledged by the third-party formulator, Turf Care Supply (“TCS”), the lots in question, or a subset thereof, were out of specification and (although not known to the Company at time of sale or use) contained trace amounts of herbicide residues from a contaminated production line at that formulator’s facility. After having issued a stop sale and stop use notice for the subject lots to the distribution channel, the Company began a process of aggregating and validating customer claims and recalling unused products. At this stage, 272 parties have submitted claims, totaling \$9,063 in estimated damages. To date, the Company has validated 57 claims amounting to approximately \$2,050, starting with those for which the most complete support had been provided by claimants. The Company made payments in the amount of approximately \$1,414 as of December 31, 2025. Based upon the adequacy of documentation for claims validated to date, we believe that the remaining unvalidated claims are likely to be validated and that a loss related to these claims is probable and can be reasonably estimated. As a result, the Company recorded a liability in the amount of \$7,649 at December 31, 2025 related to unpaid claims received.

Both the Company and the third-party formulator have notified their insurance carriers of the claim. The Company's product liability policy includes a \$5,000 deductible, while the formulator's policy has a \$0 deductible. It is not yet clear to the Company which types of claims will be compensable by the insurance carriers or the extent to which either or both carriers might respond to these claims. The parties met in a mediation that was held on January 7, 2026, which did not lead to a resolution. Consequently, the Company has filed an action against TCS and its private equity sponsor in the Court of Common Pleas, County of Medina, Ohio seeking damages for, among other things, breach of contract and negligent misrepresentation.

Region 9, Notice of Violation re: FPAS. On November 25, 2024, EPA Region IX issued to American Vanguard Chemical Corporation a letter requesting that AMVAC show cause why a civil penalty should not be assessed with respect to allegations that, from 2020 through 2023, AMVAC violated Section 12(a)(2)(N) of FIFRA by exporting 18 unregistered pesticides to foreign purchasers in 14 countries without submitting a Foreign Purchaser Acknowledgement Statement ("FPAS") from each foreign purchaser to EPA, as required by 40 C.F.R. § 168.75(c). The Company continues to discuss this matter with EPA and has entered into a tolling agreement with the agency to extend the time for resolution through March 2026. At this stage, the Company believes that a loss is probable and has set a reserve in an amount that is not material to its financial statements.

(6) U.S. Employee Deferred Compensation and Stock Purchase Plans

The Company maintains a deferred compensation plan ("the Plan") for all eligible employees. The Plan calls for each eligible employee, at the employee's election, to participate in an income deferral arrangement under Internal Revenue Code Section 401(k). The plan allows eligible employees to make contributions, which cannot exceed 100% of compensation, or the annual dollar limit set by the Internal Revenue Code. The Company matches the first 5% of employee contributions. The Company's contributions to the Plan amounted to \$2,210, \$2,525 and \$2,507 in 2025, 2024 and 2023, respectively.

During 2001, the Company's Board of Directors adopted the AVD Employee Stock Purchase Plan (the "ESPP Plan"). The Plan allows eligible employees to purchase shares of common stock through payroll deductions at a discounted price. An original aggregate number of approximately 1,000,000 shares of the Company's Common Stock, par value \$0.10 per share (subject to adjustment for any stock dividend, stock split or other relevant changes in the Company's capitalization) were allowed to be sold pursuant to the Plan, which is intended to qualify under Section 423 of the Internal Revenue Code. The Plan allows for purchases in a series of offering periods, each six months in duration, with new offering periods (other than the initial offering period) commencing on January 1 and July 1 of each year. The initial offering period commenced on July 1, 2001. Pursuant to action taken by the Company's Board of Directors on December 10, 2010, the expiration of the Plan was extended to December 31, 2013. The Plan was amended and restated on June 30, 2011, following stockholders' ratification of the extended expiration date. The Plan was amended as of June 6, 2018, following stockholders' ratification of a ten-year extension to the expiration date (which now stands at December 31, 2028). Under the Plan, as amended as of June 6, 2018, 995,000 shares of the Company's common stock were authorized. As of December 31, 2025 and 2024, 200,951 and 349,148 shares, respectively, remained available under the plan. The expense recognized under the Plan was immaterial during the years ended December 31, 2025, 2024 and 2023, respectively.

Shares of common stock purchased through the Plan in 2025, 2024 and 2023 were 148,197, 92,767 and 50,025, respectively.

(7) Major Customers

In 2025, there were three customers that accounted for 13%, 12% and 12%, of the Company's consolidated sales. In 2024, there were three customers that accounted for 14%, 13% and 11%, of the Company's consolidated sales. In 2023, there were three customers that accounted for 15%, 14% and 8%, of the Company's consolidated sales.

The Company primarily sells its products to distributors, buying cooperatives, other co-operative groups and, in certain territories, end users, and extends credit based on an evaluation of the customer's financial condition. The Company had three significant customers who each accounted for approximately 8%, 5% and 4% of the Company's receivables as of December 31, 2025. The Company had three significant customers who each accounted for approximately 5%, 3% and 3% of the Company's receivables as of December 31, 2024. The Company has long-standing relationships with its customers and considers its credit risk associated with its domestic business for accounts receivable to be insignificant.

The Company's receivables, excluding allowances for expected credit losses, by geography as of December 31, 2025 and 2024 are summarized as follows:

	2025	2024
Domestic receivables	\$ 90,530	\$ 71,794
International receivables	81,714	107,139
Total receivables	<u>\$ 172,244</u>	<u>\$ 178,933</u>

International sales by territory based on customer location for 2025, 2024 and 2023 were as follows:

	2025	2024	2023
South and Central America	\$ 119,047	\$ 118,159	\$ 117,727
Mexico	43,244	48,463	49,800
Asia	28,397	34,123	28,071
Australia & New Zealand	15,718	21,687	19,712
Canada	8,759	8,513	12,268
Africa	1,364	5,646	3,715
Europe	1,825	1,893	2,208
Middle East	732	739	1,354
Total international net sales	<u>\$ 219,086</u>	<u>\$ 239,223</u>	<u>\$ 234,855</u>

(8) Product and Business Acquisitions

The Company did not complete any product and business acquisitions during the years ended December 31, 2025 and 2024.

On October 5, 2023, the Company completed the acquisition of all outstanding stock of Punto Verde S.A. Punversa (Punto Verde), a well-established distributor in Guayaquil, Ecuador, to strengthen its product portfolio and market access in the Latin American region. The Company paid cash consideration of \$4,492, which was net of cash acquired of \$233. The acquisition was accounted for as a business combination and the purchase consideration was allocated as follows:

	Preliminary Allocation at December 31, 2023	Measurement Period Adjustments	Final Allocation
Trade receivables	\$ 1,883	\$ —	\$ 1,883
Inventory and other current assets	1,330	—	1,330
Property, plant, and equipment	45	90	135
Customer relationships	—	1,300	1,300
Product registrations and product rights	104	396	500
Goodwill	2,949	(1,339)	1,610
Liabilities assumed	(1,819)	(447)	(2,266)
Total	<u>\$ 4,492</u>	<u>\$ —</u>	<u>\$ 4,492</u>

Liabilities assumed include liabilities of \$447 related to income tax matters. Goodwill is not expected to be deductible for income tax purposes. The operating results of Punto Verde have been included in the Company's consolidated statements of operations from the date of acquisition. Pro-forma financial information is not included herein as the pro-forma impact of the acquisition is not material.

(9) Intangible Assets and Goodwill

The following schedule represents intangible assets recognized in connection with product acquisitions (See Note 1 for the Company's accounting policy regarding intangible assets):

	Amount
Intangible assets at January 1, 2023	\$ 184,664
Additions during fiscal 2023	941
Impact of movement in exchange rates	177
Amortization expense	(13,274)
Intangible assets at December 31, 2023	172,508
Measurement period adjustment	1,696
Additions during fiscal 2024	418
Impact of movement in exchange rates	(1,441)
Amortization expense	(13,339)
Asset impairment	(9,345)
Intangible assets at December 31, 2024	150,497
Additions during fiscal 2025	1,280
Impact of movement in exchange rates	894
Amortization expense	(12,123)
Asset impairment	(1,802)
Intangible assets at December 31, 2025	\$ 138,746
Goodwill at January 1, 2023	\$ 47,010
Additions during fiscal 2023	2,949
Impact of movement in exchange rates	1,240
Goodwill at December 31, 2023	51,199
Measurement period adjustment	(1,339)
Impact of movement in exchange rates	(3,110)
Goodwill impairment	(27,049)
Goodwill at December 31, 2024	19,701
Impact of movement in exchange rates	1,339
Goodwill impairment	(21,040)
Goodwill at December 31, 2025	\$ —

The Company recorded intangible asset impairment charges related to its Diflubenzuron and PCNB products in the amount of \$1,802 during the year ended December 31, 2025. During the year ended December 31, 2024, the Company recorded impairment charges related to its SIMPAS precision application technology platform, two of its herbicide products and one of its fungicide products in the amount of \$9,345.

The Company recorded \$21,040 and \$27,049 in goodwill impairment charges for the year ended December 31, 2025 and 2024, respectively.

The following schedule represents the gross carrying amount and accumulated amortization of intangible assets as of December 31, 2025 and 2024. Product rights and trademarks are amortized over the lesser of the useful life ranging from 10 to 28 years, or the patent life. Customer lists are amortized over their expected useful lives of nine to ten years. The amortization expense is included in operating expenses on the consolidated statements of operations.

	2025			2024		
	Gross	Accumulated Amortization	Net Book Value	Gross	Accumulated Amortization	Net Book Value
Product rights and patents	\$ 262,649	\$ 149,576	\$ 113,073	\$ 260,928	\$ 138,090	\$ 122,838
Trademarks	38,808	15,842	22,966	38,475	14,375	24,100
Customer lists	12,328	9,621	2,707	11,874	8,315	3,559
Total intangibles assets	<u>\$ 313,785</u>	<u>\$ 175,039</u>	<u>\$ 138,746</u>	<u>\$ 311,277</u>	<u>\$ 160,780</u>	<u>\$ 150,497</u>
Domestic intangible assets	173,898	109,885	64,013	172,755	102,347	70,408
International intangible assets	139,887	65,154	74,733	138,522	58,433	80,089
Total intangibles assets - domestic and international	<u>\$ 313,785</u>	<u>\$ 175,039</u>	<u>\$ 138,746</u>	<u>\$ 311,277</u>	<u>\$ 160,780</u>	<u>\$ 150,497</u>

The following schedule represents future amortization charges related to intangible assets:

Year ending December 31,	Amount
2026	\$ 12,210
2027	11,590
2028	10,659
2029	10,347
2030	10,203
Thereafter	83,737
	<u>\$ 138,746</u>

The following schedule represents the balance of goodwill at December 31, 2025 and 2024:

	2025	2024
Domestic	\$ —	\$ —
International	—	19,701
Total goodwill, domestic and international	<u>\$ —</u>	<u>\$ 19,701</u>

(10) Commitments

Our minimum commitments under our take-or-pay purchase obligations associated with the sourcing of materials total approximately \$7,800 as of December 31, 2025. Since the majority of our minimum obligations under these contracts are over the length of the contract on a year-by-year basis, the Company is unable to determine the periods in which these obligations could be payable under these contracts. However, the Company intends to fulfill the obligations associated with these contracts through its purchases during the normal course of business.

(11) Equity Plan Awards

Under the Company's Equity Incentive Plan of 1993, as amended ("the Plan"), all employees are eligible to receive non-assignable and non-transferable restricted stock, options to purchase common stock, and other forms of equity. As of December 31, 2025, the number of securities remaining available for future issuance under the Plan is 1,331,761.

The below tables illustrate the Company's stock-based compensation, unamortized stock-based compensation, and remaining weighted average period for the years ended December 31, 2025, 2024 and 2023. This projected expense will change if any stock options and restricted stock are granted or cancelled prior to the respective reporting periods, or if there are any changes required to be made for estimated forfeitures.

	<u>Stock-Based Compensation</u>	<u>Unamortized Stock-Based Compensation</u>	<u>Remaining Weighted Average Period (years)</u>
<u>December 31, 2025</u>			
Options	\$ 229	\$ 274	1.1
Restricted Stock	1,223	931	2.5
Unrestricted Stock	597	233	0.4
Performance-Based Restricted Stock	(33)	278	2.3
Total	<u>\$ 2,016</u>	<u>\$ 1,716</u>	
<u>December 31, 2024</u>			
Options	\$ 314	\$ 686	2.1
Restricted Stock	2,499	2,595	2.1
Unrestricted Stock	596	270	0.4
Performance-Based Restricted Stock	1,003	909	2.0
Total	<u>\$ 4,412</u>	<u>\$ 4,460</u>	
<u>December 31, 2023</u>			
Restricted Stock	\$ 4,830	\$ 6,593	1.8
Unrestricted Stock	520	217	0.4
Performance-Based Restricted Stock	788	2,500	1.8
Total	<u>\$ 6,138</u>	<u>\$ 9,310</u>	

Restricted and Unrestricted Stock

A summary of nonvested restricted and unrestricted stock is presented below:

	2025		2024		2023	
	Number of Shares	Weighted Average Grant Date Fair Value	Number of Shares	Weighted Average Grant Date Fair Value	Number of Shares	Weighted Average Grant Date Fair Value
Nonvested shares at January 1 st	431,225	\$ 17.20	686,185	\$ 21.24	742,050	\$ 18.86
Granted	143,346	4.67	238,585	7.65	306,515	20.31
Vested	(284,961)	13.42	(348,934)	17.65	(319,751)	14.90
Forfeited	(29,105)	20.92	(144,611)	19.55	(42,629)	20.61
Nonvested shares at December 31 st	260,505	\$ 14.03	431,225	\$ 17.20	686,185	\$ 21.24

The total grant-date fair value of stocks vested during the years ended December 31, 2025, 2024, and 2023 were \$3,823, \$6,158, and \$4,763, respectively.

Performance-Based Restricted Stock

A summary of nonvested performance-based stock is presented below:

	December 31, 2025		December 31, 2024		December 31, 2023	
	Number of Shares	Weighted Average Grant Date Fair Value	Number of Shares	Weighted Average Grant Date Fair Value	Number of Shares	Weighted Average Grant Date Fair Value
Nonvested shares at January 1 st	251,628	\$ 7.90	263,325	\$ 21.37	318,699	\$ 18.05
Granted	—	—	177,010	2.13	94,028	21.51
Change based on performance achievement	(52,122)	16.29	(49,806)	19.81	(58,827)	14.73
Vested	(990)	21.51	(80,570)	21.51	(86,188)	13.99
Forfeited	(10,622)	21.98	(58,331)	22.23	(4,387)	17.67
Nonvested shares at December 31 st	187,894	\$ 4.70	251,628	\$ 7.90	263,325	\$ 21.37

The total grant-date fair value of stocks vested during the years ended December 31, 2025, 2024, and 2023 were \$21, \$1,733, and \$1,206, respectively.

Performance Based Restricted Stock Granted in 2025—There were no performance based shares issued during the year ended December 31, 2025.

Performance Based Restricted Stock Granted in 2024—During the year ended December 31, 2024, the Company issued a total of 177,010 performance based restricted stock subject to market vesting conditions to its CEO. The shares granted have an average fair value of \$2.13. The fair value was determined by using the Monte Carlo valuation method. The fair value of these shares will be expensed over the requisite service period. 118,007 of the shares have a five-year performance period beginning on December 9, 2024 and ending on December 9, 2029. These shares are based upon the relative growth of the fair market value of the Company's stock price over the course of the performance period as compared to the Company's stock price at December 9, 2024. For 59,003 of the shares, the performance period is one-, three-, and five-year periods beginning on December 9, 2024, and ending on December 9, 2025, December 9, 2027, and December 9, 2029. These shares are based upon the relative growth of the fair market value of the Company's stock price over the course of the performance period compared to the Russell 2000 Index as measured at the end of each performance period.

Performance Based Restricted Stock Granted in 2023— During the year ended December 31, 2023, the Company issued a total of 94,028 performance-based shares to employees. The shares granted during 2023 have an average fair value of \$21.51. The fair value was determined by using the publicly traded share price as of the market close on the date of grant or the Monte Carlo valuation method for shares subject to market vesting conditions. The Company will recognize as expense the value of the performance-based shares over the required service period from grant date. The shares will cliff vest on April 20, 2026, with a measurement period commencing January 1, 2023, and ending December 31, 2025. Eighty percent of these performance-based shares are based upon the financial performance of the Company, specifically, earnings before interest and tax (“EBIT”) goal weighted at 50% and a net sales goal weighted at 30%. The remaining 20% of performance-based shares are based upon AVD stock price appreciation over the same performance measurement period. The EBIT and net sales goals measure the relative growth of the Company’s EBIT and net sales for the performance measurement period, as compared to the median growth of EBIT and net sales for an identified peer group. The stockholder return goal measures the relative growth of the fair market value of the Company’s stock price over the performance measurement period, as compared to that of the Russell 2000 Index and the median fair market value of the common stock of the comparator companies, identified in the Company’s 2022 Proxy Statement. All parts of these awards vest in three years but are subject to reduction to a minimum (or even zero) for recording less than the targeted performance and to increase to a maximum of 200% for achieving in excess of the targeted performance.

Performance Based Restricted Stock Granted in 2022—During 2025, the Company concluded that none of the performance based restricted stock granted in 2022 vested as the underlying performance measures were not met.

Stock Options

Under the terms of the Company’s ISOP, under which options to purchase common stock can be issued, all employees are eligible to receive non-assignable and non-transferable options to purchase shares. The exercise price of any option may not be less than the fair market value of the shares on the date of grant; provided, however, that the exercise price of any option granted to an eligible employee owning more than 10% of the outstanding common stock may not be less than 110% of the fair market value of the shares underlying such option on the date of grant. No options granted may be exercisable more than ten years after the date of grant.

In 2024, the Company granted incentive stock options to employees and recorded an expense of \$314. In 2025, the Company recorded an expense of \$229 related to the incentive stock options granted in 2024. As of December 31, 2025, there were 70,778 outstanding stock options that are vested and exercisable. In 2023, no stock options were granted.

Incentive Stock Option Plans

Activity of the incentive stock option plans:

	Number of Shares	Weighted Average Exercise Price Per Share
Balance outstanding, January 1, 2023	68,896	\$ 11.49
Options exercised	(4,024)	11.49
Balance outstanding, December 31, 2023	64,872	\$ 11.49
Options granted	253,853	10.28
Options exercised	—	—
Options expired	(64,872)	11.49
Balance outstanding, December 31, 2024	253,853	\$ 10.28
Options granted	—	—
Options exercised	—	—
Options expired	(51,782)	10.28
Balance outstanding, December 31, 2025	202,071	\$ 10.28

All the incentive stock options outstanding as of December 31, 2025 have an exercise price per share of \$10.28 and a remaining life of 58 months.

Performance Incentive Stock Option Plan

Activity of the performance incentive stock option plan:

	Number of Shares	Weighted Average Exercise Price Per Share
Balance outstanding, January 1, 2023	81,808	\$ 11.49
Options granted	337,542	\$ 10.28
Options expired	(81,808)	\$ 11.49
Options forfeited	(166,884)	10.28
Balance outstanding, December 31, 2024	170,658	\$ 10.28
Options granted	—	—
Options expired	—	—
Options forfeited	(15,705)	10.28
Balance outstanding, December 31, 2025	154,953	\$ 10.28

All the performance incentive stock options outstanding as of December 31, 2025 have an exercise price per share of \$10.28 and a remaining life of 58 months.

The total intrinsic value of options exercised during 2025, 2024, and 2023 was \$0, \$0, and \$35, respectively. Cash received from stock options exercised during 2025, 2024, and 2023 was \$0, \$0, and \$46, respectively. Of the outstanding options, 94,794 are vested and the intrinsic value amounted to \$0 as of December 31, 2025.

(12) Accumulated Other Comprehensive Loss

The following table lists the beginning balance, annual activity and ending balance of foreign currency translation adjustment included as a component of accumulated other comprehensive loss:

Balance, January 1, 2023	\$ (12,182)
Foreign currency translation adjustment, net of tax effects of (\$277)	6,219
Balance, December 31, 2023	(5,963)
Foreign currency translation adjustment, net of tax effects of \$198	(12,766)
Balance, December 31, 2024	(18,729)
Foreign currency translation adjustment, net of tax effects of (\$53)	6,729
Balance, December 31, 2025	\$ (12,000)

(13) Equity Investments

In February 2016, AMVAC BV made an equity investment of \$3,283 in Biological Products for Agriculture (“Bi-PA”). Bi-PA develops biological plant protection products that can be used for the control of pests and disease of agricultural crops. As of December 31, 2025, 2024 and 2023, the Company’s ownership position in Bi-PA was 15%. Since this investment does not have readily determinable fair value, the Company has elected to measure the investment at cost less impairment, if any, and to record an increase or decrease for changes resulting from observable price changes in orderly transactions for the identical or a similar investment of Bi-PA. The Company periodically reviews the investment for possible impairment and concluded in the fourth quarter of 2024 that its investment in Bi-PA is fully impaired. As a result, the Company recorded an impairment charge in the amount of \$2,884 during the year ended December 31, 2024. Total cumulative impairment charges amounted to \$0, \$3,283, and \$399 as of December 31, 2025, 2024, and 2023.

On April 1, 2020, AMVAC purchased 6,250,000 shares, an ownership of approximately 8%, of common stock of Clean Seed Capital Group Ltd. The shares are publicly traded, have a readily determinable fair value, and are considered a Level 1 investment. The fair value of the stock amounted to \$501 and \$938 as of December 31, 2025 and 2024, respectively. The Company recorded a loss of \$437 for the year ended December 31, 2025, a gain of \$513 for the year ended December 31, 2024, and a loss of \$359 for the year ended December 31, 2023. The investment is included within other assets on the consolidated balance sheets. The Company initially invested \$1,190 to purchase its stock in Clean Seed Capital Group Ltd. Since that time, the Company has recorded net losses in the amount of \$689.

(14) Share Repurchase Programs

The Company periodically repurchases shares of its common stock under a board-authorized repurchase program through a combination of open market transactions and accelerated share repurchase ("ASR") arrangements.

On May 25, 2023, pursuant to a Board of Directors resolution, the Company announced its intention to repurchase up to \$15,000 of its common stock under a 10b5-1 plan, par value \$0.10 per share, in the open market over the succeeding one year, subject to limitations and restrictions under applicable securities laws. During the year ended December 31, 2023, the Company repurchased 857,455 shares of its common stock for a total of \$14,982 at an average price of \$17.55 per share under this plan.

The shares and respective amount are recorded as treasury shares on the Company's consolidated balance sheets. The table below summarized the number of shares of the Company's common stock that were repurchased during the years ended December 31, 2025. No shares were repurchased in 2025 or 2024.

Year ended	Total number of shares purchased	Average price paid per share	Total amount paid
December 31, 2025	—	\$ —	\$ —
December 31, 2024	—	\$ —	\$ —
December 31, 2023	885,290	\$ 17.55	\$ 15,539

Pursuant to Amendments Number Six, Seven, and Eight to the Third Amended Loan and Security Agreement, the Company is currently prevented from making stock repurchases, effective November 7, 2023.

(15) Supplemental Cash Flows Information

	2025	2024	2023
Supplemental cash flow information:			
Cash paid during the year for:			
Interest	\$ 16,767	\$ 15,585	\$ 11,902
Income taxes, net	\$ 3,944	\$ 8,762	\$ 9,428
Non-cash transactions:			
Cash dividends declared and included in accrued expenses	\$ —	\$ —	\$ 834

	2025	2024	2023
Reconciliation of unrestricted cash and restricted cash reported in the consolidated balance sheets			
Unrestricted cash	\$ 11,925	\$ 12,514	\$ 11,416
Restricted cash	500	—	—
Total cash	\$ 12,425	\$ 12,514	\$ 11,416

The following tables present cash paid for income taxes, net of refunds received, by jurisdiction:

	2025	
	Amount	Percentage
Worldwide		
Federal	569	14.42%
State	(143)	-3.63%
Foreign	3,518	89.21%
Total	3,944	100.00%

	Amount	Percentage
State		
Other	(143)	100.00%
Total State	(143)	100.00%

	Amount	Percentage
Foreign		
Netherlands	926	26.31%
Mexico	1,074	30.52%
Nicaragua	391	11.12%
Australia	390	11.09%
India	349	9.91%
Other	388	11.04%
Total Foreign	3,518	100.00%

(16) Segment Information

The Company operates as a single operating segment, which is the business of developing, manufacturing and distributing chemical, biological and biorational products for agricultural, commercial and consumer uses. The Company synthesizes and formulates chemicals and ferments and extracts microbial products for crops, turf, ornamental plants, and human and animal health protection.

The Company's CODM is the Chief Executive Officer, who manages the Company's operations based on consolidated financial information for purposes of evaluating financial performance and allocating resources. The financial information reviewed by the CODM includes revenue by product line and region, and key expense categories that are regularly provided for the consolidated company.

The accounting policies of the Company's single operating segment are the same as those described in the summary of significant accounting policies. Although there are other measures of operating performance used by the CODM, the Company concluded that consolidated operating (loss) income is the measure required to be disclosed as the segment measure of profit or loss. Operating (loss) income is utilized to evaluate to monitor budget versus actual results in order to gain more depth and understanding of the factors driving the business. When evaluating the Company's financial performance, the following table sets forth significant expense categories regularly provided to the CODM:

	2025	2024	2023
Net sales	\$ 515,114	\$ 547,306	\$ 579,371
Cost of sales:			
Material and other costs	(323,939)	(381,784)	(354,580)
Warehousing, handling, and outbound freight	(43,614)	(45,205)	(45,627)
Total cost of sales	(367,553)	(426,989)	(400,207)
Gross profit	147,561	120,317	179,164
Operating expenses			
Selling, general and administrative	(110,633)	(119,634)	(116,887)
Research, product development and regulatory	(23,161)	(32,662)	(38,025)
Product liability claims	(9,730)	—	—
Transformation	(7,187)	(20,162)	(957)
Asset impairment charges	(25,395)	(50,414)	—
Gain from sale of assets	249	1,000	—
Operating (loss) income	(28,296)	(101,555)	23,295
Change in fair value of equity investments, net	(437)	(2,356)	(359)
Interest and other expenses, net	(18,470)	(16,547)	(12,639)
(Loss) income before provision for income taxes	(47,203)	(120,458)	10,297
Provision for income taxes	(2,679)	(5,882)	(2,778)
Net (loss) income	\$ (49,882)	\$ (126,340)	\$ 7,519

Assets provided to the CODM are consistent with those reported on the consolidated balance sheets.

(17) Subsequent event

On March 13, 2026, Management approved a plan to substantially reduce the production activities at its manufacturing facility in Los Angeles and transfer these production activities to its Axis or Marsing facilities as part of its broader transformation plan to reduce production overcapacities and related operating costs. This transfer is expected to be completed by the second quarter of 2026. The Company estimates that in connection with the plant reduction, it will incur one-time pre-tax charges of approximately \$8,000 to \$10,000, which includes approximately \$4,000 in non-cash asset impairments, \$2,000 in waste disposal costs, and \$2,000 to \$4,000 in other costs.

ITEM 9 CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Management, under the supervision of the Company's Chief Executive Officer and Chief Financial Officer, periodically evaluate the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Based upon this evaluation, as of December 31, 2025, the Chief Executive Officer and the Chief Financial Officer have concluded that these disclosure controls and procedures are effective in ensuring that the information required to be disclosed in reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported on a timely basis, and (ii) accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) of the Securities Exchange Act of 1934 for the Company. The Company's internal control system over financial reporting is designed to provide reasonable assurance to management and the Board of Directors as to the fair, reliable and timely preparation and presentation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America filed with the SEC.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even processes determined to be effective can provide only reasonable assurance with respect to the financial statement preparation and presentation.

Management conducted an evaluation of the Company's internal controls over financial reporting based on a framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control—Integrated Framework (2013)*. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the effectiveness of controls and a conclusion on the evaluation. Based on this evaluation, management believes that as of December 31, 2025, the Company's internal control over financial reporting is effective.

Deloitte & Touche, LLP, the independent registered public accounting firm that audited the consolidated financial statements as of and for the year ended December 31, 2025, included in the Annual Report on Form 10-K, was engaged to attest to and report on the effectiveness of the Company's internal control over financial reporting as of December 31, 2025. Their report is included herein.

Remediation of Previously Reported Material Weakness

As previously reported in the Company's Annual Report on Form 10-K for fiscal year ended October 31, 2024, Management identified the following material weaknesses in internal control over financial reporting:

- Control Environment – within the Company's Australian component (AgNova), the Company identified that the individuals performing control activities within the component were not sufficiently trained or adequately supervised, and lacked appropriate reporting lines and accountability in accordance with principles of the COSO framework.
- Control Activities – due to insufficient resources to facilitate a timely financial close process, the operation of internal controls over financial reporting specific to the controls being performed timely in accordance with principles of the COSO framework were not operating effectively. Further, within AgNova, the Company did not have sufficient segregation of duties in place in accordance with a principle of the COSO framework.

- Risk Assessment – the Company identified that it did not design and implement an effective risk assessment based on the criteria established in the COSO framework. Specifically, the Company did not identify and assess changes to the business that could significantly impact the system of internal control in accordance with principles of the COSO framework.
- Management also identified a deficiency that constituted a material weakness related to the review of customer agreements related to the accrued program costs and customer prepayments balances. The Company did not perform a sufficiently precise review in order to appropriately consider all agreed-upon terms with customers in its determination of the accrued program costs and customer prepayments balances.

During fiscal year 2025, Management implemented its remediation plan that included the following measures:

- Enhanced the oversight, reporting lines and authorities, and accountability processes within its finance organization and including improved training, additional personnel with appropriate skillsets, dedicated personnel regarding risk assessment, and more comprehensive supervisory processes.
- Implemented additional resources to mitigate risks and facilitate a timely financial close process including enhancing policies and procedures including appropriate changes to the segregation of duties within AgNova.
- Enhanced its risk assessment process to ensure it is sufficiently robust to identify and analyze significant events affecting its business, including the impact of these events on the timely completion of its financial statements and SEC filings.
- Added dedicated personnel to enhance the review process of agreed upon terms related to the accrued program costs and customer prepayments balances to ensure it is sufficiently precise to identify changes that may impact the balances.

Management has concluded that these material weaknesses have been remediated as of December 31, 2025. The applicable controls have been in place and operated for a sufficient period of time and management concluded, through testing, that these controls were operating effectively.

Changes in Internal Control over Financial Reporting

Except as noted in the preceding paragraph, during the most recent fiscal quarter of Fiscal 2025, no change in the Company's internal control over financial reporting occurred that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of
American Vanguard Corporation
Newport Beach, California

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of American Vanguard Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of American Vanguard Corporation and subsidiaries (the "Company") as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated March 16, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Costa Mesa, California
March 16, 2026

AMERICAN VANGUARD CORPORATION

ITEM 9B OTHER INFORMATION

None.

ITEM 9C DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

AMERICAN VANGUARD CORPORATION

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

We adopted a written code of business conduct that applies to our directors, executive officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A current copy of the code is posted under “Governance Documents” on the Investor Relations section of our website, www.american-vanguard.com. To the extent required by applicable rules adopted by the SEC and the NYSE, we intend to disclose future amendments to certain provisions of the code, or waivers of such provisions granted to executive officers and directors, in this section of our website at www.american-vanguard.com. None of the websites referenced in this Annual Report or the information contained therein is incorporated herein by reference.

The remaining information required by this Item 10 of Form 10-K will be included in our proxy statement to be filed with the SEC in connection with the solicitation of proxies for our 2026 Annual Meeting of Shareholders (the “2026 Proxy Statement”) and is incorporated herein by reference. The 2026 Proxy Statement will be filed with the SEC within 120 days after the end of the fiscal year to which this report relates.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 of Form 10-K will be included in our 2026 Proxy Statement and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item 12 of Form 10-K will be included in our 2026 Proxy Statement and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information required by this Item 13 of Form 10-K will be included in our 2026 Proxy Statement and is incorporated herein by reference.

AMERICAN VANGUARD CORPORATION

PART IV

ITEM 15 FINANCIAL STATEMENTS, SCHEDULES, AND EXHIBITS

1. **Financial Statements.** *The consolidated financial statements as set forth under Item 8 of this Annual Report on Form 10-K are incorporated herein.*
2. **Financial Statement Schedules: Schedule II-A**
3. **Exhibit Index**

AMERICAN VANGUARD CORPORATION

**Schedule II-A—Valuation and Qualifying Accounts
Allowance for Current Expected Credit Losses (in thousands)**

Fiscal Year Ended	Balance at Beginning of Period	Additions	Foreign exchange impact	Balance at End of Period
December 31, 2025	\$ 9,170	2,360	203	\$ 11,733
December 31, 2024	\$ 7,107	2,248	(185)	\$ 9,170
December 31, 2023	\$ 5,136	1,935	36	\$ 7,107

Deferred Tax Assets Valuation Allowance (in thousands)

Fiscal Year Ended	Balance at Beginning of Period	Additions Charged to		Balance at End of Period
		Net Income (Loss)	Other Comprehensive (Gain) Loss	
December 31, 2025	\$ 33,855	\$ 7,839	\$ (308)	\$ 41,386
December 31, 2024	\$ 3,317	\$ 29,730	\$ 808	\$ 33,855
December 31, 2023	\$ 3,853	\$ 1,376	\$ (1,912)	\$ 3,317

See accompanying report of independent registered public accounting firms on page 29 of this annual report.

AMERICAN VANGUARD CORPORATION

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
3.1	<u>Amended and Restated Certificate of Incorporation of American Vanguard Corporation (incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2003, filed with the Securities Exchange Commission on March 30, 2004).</u>
3.2	<u>Certificate of Amendment of Amended and Restated Certificate of Incorporation of American Vanguard Corporation (incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q/A for the period ended June 30, 2004, filed with the Securities Exchange Commission on February 23, 2005).</u>
3.3	<u>Amended and Restated Bylaws of American Vanguard Corporation dated as of December 5, 2019 (incorporated by reference to Exhibit 99.3 to the Company's Current Report on Form 8-K, filed with the Securities Exchange Commission on December 10, 2019).</u>
4.1	<u>Form of Indenture (incorporated by reference to Exhibit 4.4 to the Company's Registration Statement on Form S-3 (File No. 333-122981) filed with the Securities and Exchange Commission on February 25, 2005).</u>
4.2	<u>Description of Registrant's Capital Stock as of December 31, 2024*</u>
10.1†	<u>American Vanguard Corporation Employee Stock Purchase Plan (incorporated by reference to Exhibit A to the Company's Proxy Statement filed with the Securities and Exchange Commission on April 23, 2018).</u>
10.2†	<u>American Vanguard Corporation Amended and Restated Stock Incentive Plan as of June 8, 2016 (incorporated by reference to Exhibit A to the Company's Proxy Statement filed with the Securities and Exchange Commission on April 25, 2016).</u>
10.3†	<u>Form of Incentive Stock Option Agreement under the American Vanguard Corporation Fourth Amended and Restated Stock Incentive Plan, (incorporated by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004, filed with the Securities and Exchange Commission on March 16, 2005).</u>
10.4†	<u>Form of Non-Qualified Stock Option Agreement under the American Vanguard Corporation Fourth Amended and Restated Stock Incentive Plan, (incorporated by reference to Exhibit 10.4 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004, filed with the Securities and Exchange Commission on March 16, 2005).</u>
10.5†	<u>Employment Agreement between American Vanguard Corporation and Eric G. Wintemute dated April 1, 2022 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Securities Exchange Commission on April 7, 2022).</u>
10.6†	<u>Form of Change of Control Severance Agreement, dated effective as of January 1, 2004, between American Vanguard Corporation and its executive and senior officers (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2004, filed with the Securities Exchange Commission on May 17, 2004).</u>
10.8†	<u>Second Amendment to the Change of Control Severance Agreement, dated effective as of July 11, 2008, between American Vanguard Corporation and named executive officers and senior officers (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on July 11, 2008).</u>
10.9†	<u>Form of Indemnification Agreement between American Vanguard Corporation and its Directors (incorporated by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004, filed with the Securities and Exchange Commission on March 16, 2005).</u>
10.10†	<u>Description of Compensatory Arrangements Applicable to Non-Employee Directors (as set forth on page 41 of the Company's Proxy Statement which was filed with the Securities and Exchange Commission on April 25, 2024, and incorporated herein by reference).</u>

AMERICAN VANGUARD CORPORATION

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
10.11†	<u>Form of Restricted Stock Agreement between American Vanguard Corporation and named executive officers dated as of November 13, 2020 (incorporated by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the Securities and Exchange Commission on March 31, 2021).</u>
10.12†	<u>Form of Performance-Based Restricted Stock Units Award Agreement between American Vanguard Corporation and named executive officer dated as of November 13, 2020 (incorporated by reference to Exhibit 10.14 to the Company's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the Securities and Exchange Commission on March 31, 2021).</u>
10.13†	<u>Form of American Vanguard Corporation Amended and Restated Stock Incentive Plan TSR-Based Restricted Stock Units Award Agreement dated June 6, 2013 (incorporated by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, filed with the Securities Exchange Commission on February 28, 2014).</u>
10.14†	<u>Form of American Vanguard Corporation Amended and Restated Stock Incentive Plan Performance-Based Restricted Stock Units Award Agreement dated June 6, 2013 (incorporated by reference to Exhibit 10.16 to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, filed with the Securities Exchange Commission on February 28, 2014).</u>
10.15	<u>Third Amended and Restated Loan and Security Agreement dated as of August 5, 2021, among AMVAC and certain affiliates, on the one hand, and a group of commercial lenders led by BMO Harris Bank, N.A., on the other hand (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on August 10, 2021).</u>
10.17	<u>Amendment Number Six to the Third Amended Loan and Security Agreement dated as of November 7, 2023, among AMVAC and certain affiliates, on the one hand, and a group of commercial lenders led by BMO Harris Bank, N.A., on the other hand (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 9, 2023).</u>
10.18	<u>Amendment Number Seven to the Third Amended Loan and Security Agreement dated as of August 8, 2023, among AMVAC and certain affiliates, on the one hand, and a group of commercial lenders led by BMO Harris Bank, N.A., on the other hand (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q for the quarterly period ended June 30, 2024 filed with the Securities and Exchange Commission on August 9, 2024).</u>
10.19	<u>Amendment Number Eight to the Third Amended Loan and Security Agreement dated as of March 12, 2025, among AMVAC and certain affiliates on the one hand, and a group of commercial lenders led by BMO Harris Bank, N.A., on the other hand (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Securities Exchange Commission on March 14, 2025).</u>
10.20	<u>Amendment Number Nine to the Third Amended Loan and Security Agreement dated as of March 31, 2025, among AMVAC and certain affiliates on the one hand, and a group of commercial lenders led by BMO Harris Bank, N.A., on the other hand (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Securities Exchange Commission on April 4, 2025).</u>
10.21	<u>Amendment Number Ten to the Third Amended and Restated Loan and Security Agreement dated as of May 7, 2025, by and among Registrant, AMVAC Chemical Corporation, certain other direct and indirect subsidiaries of Registrant and the senior lending group parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on May 8, 2025).</u>
10.22†	<u>2022 Stock Incentive Plan, Incentive Stock Option agreement dated as of January 22, 2024 (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission on March 28, 2024).</u>
10.23†	<u>2022 Stock Incentive Plan, Incentive Stock Option FMV Agreement dated as of January 22, 2024 (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission on March 28, 2024).</u>

AMERICAN VANGUARD CORPORATION

Exhibit Number	Description of Exhibit
10.24†	<u>Transition Agreement, dated as of July 3, 2024, by and between American Vanguard Corporation and Eric G. Wintemute (incorporated by reference to Exhibit 99.2 to the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on July 9, 2024).</u>
10.25†	<u>Executive Employment Agreement dated as of December 9, 2024, by and between American Vanguard Corporation and Douglas A. Kaye III (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on December 6, 2024).</u>
10.26	<u>Cooperation Agreement dated as of April 15, 2025, by and between American Vanguard Corporation and Eric G. Wintemute (incorporated by reference to Exhibit 10.1 to the Company's current Report on Form 8-K, filed with the Securities and Exchange Commission on April 21, 2025).</u>
10.27	<u>Amendment Number Eleventh to the Third Amended Loan and Security Agreement dated as of May 27, 2025, among AMVAC and certain affiliates on the one hand, and a group of commercial lenders led by BMO Harris Bank, N.A., on the other hand. (incorporated by reference to Exhibit 10.26 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission on May 29, 2025).</u>
19	<u>Insider Trading Policy of the Company.*</u>
21	<u>List of Subsidiaries of the Company (incorporated by reference to Exhibit 21 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission on May 29, 2025).</u>
23.1	<u>Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm*</u>
31.1	<u>Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*</u>
31.2	<u>Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*</u>
32.1	<u>Certifications Pursuant to 18 U.S.C. Section 1350 as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*</u>
97	<u>American Vanguard Corporation Clawback Policy dated as of September 6, 2023 (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission on March 28, 2024).</u>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

† Indicates a management contract or compensatory plan.

(c) Valuation and Qualifying Accounts

ITEM 16 FORM 10-K SUMMARY

None.

AMERICAN VANGUARD CORPORATION

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, American Vanguard Corporation has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERICAN VANGUARD CORPORATION

(Registrant)

By: /s/ DOUGLAS A. KAYE III
Douglas A. Kaye III
Chief Executive Officer

March 16, 2026

By: /s/ DAVID T. JOHNSON
David T. Johnson
Chief Financial Officer
and Principal Accounting Officer

March 16, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated.

By: /s/ DOUGLAS A. KAYE III
Douglas A. Kaye III
Principal Executive Officer

March 16, 2026

By: /s/ DAVID T. JOHNSON
David T. Johnson
Principal Financial Officer
and Principal Accounting Officer

March 16, 2026

By: /s/ CARMEN TIU DE MINO
Carmen Tiu De Mino
Director

March 16, 2026

By: /s/ STEVEN D. MACICEK
Steven D. Macicek
Director

March 16, 2026

By: /s/ MARISOL ANGELINI
Marisol Angelini
Director

March 16, 2026

By: /s/ SCOTT D. BASKIN
Scott D. Baskin
Director

March 16, 2026

By: /s/ ÉMER GUNTER
Émer Gunter
Director

March 16, 2026

By: /s/ PATRICK E. GOTTSCHALK
Patrick E. Gottschalk
Director

March 16, 2026

By: /s/ MARK R. BASSETT
Mark R. Bassett
Director

March 16, 2026

By: /s/ KEITH M. ROSENBLOOM
Keith M. Rosenbloom
Director

March 16, 2026

Description of Registrant's Securities

The Amended and Restated Certificate of Incorporation, as amended (the "Certificate"), of American Vanguard Corporation, a Delaware corporation (the "Registrant") provides that the Registrant may issue up to 40,400,000 shares of Common Stock, par value \$0.10 per share. As of December 31, 2024, there are 34,794,548 shares of Common Stock issued (which includes 5,915,182 shares of Common Stock held in treasury). All outstanding shares of Common Stock are fully paid and nonassessable.

The Certificate also authorizes the Registrant to issue up to 400,000 shares of preferred stock, par value \$0.10 per share. There are no shares of preferred stock issued or outstanding as of the date hereof.

Holders of Common Stock are entitled to one vote per share held of record on all matters to be voted upon by the Registrant's stockholders and may not cumulate votes for the election of directors.

Holders of Common Stock are entitled to receive ratably dividends as may be declared from time to time by the Registrant's Board of Directors out of funds legally available for dividend payments. In the event of the Registrant's liquidation, dissolution or winding up, after full payment of all liabilities, holders of Common Stock are entitled to share ratably in all remaining assets.

The Common Stock has no preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to the Common Stock.

The Common Stock is currently listed on the New York Stock Exchange under the symbol "AVD."

Anti-Takeover Provisions

The Registrant is subject to Section 203 of the Delaware General Corporation Law. In general, the statute prohibits a publicly held Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years following the date that the stockholder became an interested stockholder unless:

- prior to that date, the Registrant's Board of Directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the Registrant outstanding at the time the transaction commenced, excluding those shares owned by persons who are directors and also officers and issued under employee stock plans under which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or subsequent to that date, the business combination is approved by the Registrant's Board of Directors and is authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

Section 203 defines business combination to include:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, pledge or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;
- subject to exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the stock or any class or series of the corporation beneficially owned by the interested stockholder; and
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by the entity or person.

Certificate of Incorporation and Bylaws Provisions

Certain provisions of the Registrant's Certificate of Incorporation and Bylaws may delay or discourage transactions involving an actual or potential change in control or change in the Registrant's management, including transactions in which stockholders might otherwise receive a premium for their shares, or transactions that the Registrant's stockholders might otherwise deem to be in their best interests. Therefore, these provisions could adversely affect the price of the Registrant's common stock. Among other things, the Registrant's Certificate of Incorporation and Bylaws:

- permit the Registrant's Board of Directors to issue up to 400,000 shares of preferred stock, with any rights, preferences and privileges as they may designate;
 - provide that the authorized number of directors may be changed only by resolution of the Board of Directors within a fixed maximum and minimum;
 - provide that all vacancies, including newly created directorships, may, except as otherwise required by law, be filled by the affirmative vote of a majority of directors then in office, even if less than a quorum, or by the sole remaining director;
 - provide that stockholders seeking to present proposals before a meeting of stockholders or to nominate candidates for election as directors at a meeting of stockholders must provide notice in writing in a timely manner, and also specify requirements as to the form and content of a stockholder's notice; and
 - do not provide for cumulative voting rights (therefore allowing the holders of a majority of the shares of common stock entitled to vote in any election of directors to elect all of the directors standing for election, if they should so choose).
-

AMERICAN VANGUARD CORPORATION POLICY ON TRADING
SECURITIES
WHILE IN POSSESSION OF MATERIAL NON-PUBLIC INFORMATION

As amended on June 7, 2012

The following constitutes the policy of American Vanguard Corporation and its subsidiaries (“AVD” or the “Company”) regarding the trading of Company securities while in possession of material non-public information (“insider trading”). This policy provides a general overview of insider trading based upon federal and state securities laws. As you will see, whether a transaction amounts to insider trading depends upon the facts and circumstances under which it takes place. This policy applies to all directors, officers and employees of the Company.

The Company’s Policy

It is the policy of AVD that no director, officer or employee in possession of material non-public information (“Inside Information”) of AVD may buy or sell securities of the Company or engage in any other action or conduct to take advantage of, or pass on to others, that Inside Information¹. This policy also applies to trading in the securities of any other company while in possession of Inside Information about that company, including customers or suppliers, obtained in the course of your service for AVD.

Special circumstances or hardship (for example, the need to raise money for a medical emergency) are not an exception to this policy nor are they a safeguard against prosecution for violation of insider trading laws. You should avoid even the appearance of executing an improper transaction in order both to avoid possible prosecution and to preserve the Company’s ethical reputation.

Insider Trading

Rule 10b-5 of the Securities Exchange Act of 1934 prohibits trading by an Insider (as defined below) of AVD securities while in possession of undisclosed material information about the Company. Please keep in mind that liability under this law can also apply to trading in the securities of any company while in possession of Inside Information about that company.

¹ Because Inside Information is considered “Confidential Information” of the Company, it is against Company policy (both under the terms of the Company’s Code of Conduct and on pages 23 - 24 of the Employee Handbook) to disclose this information to third parties.

Who is an Insider?

For purposes of this policy, an Insider is any person who possesses Inside Information². The category of Insider includes not only AVD's directors, officers and employees, but also outside professional advisors and business consultants who have access to Inside Information prior to its public release and absorption by the market.

Liability under Rule 10b-5 may attach not only to Insiders who trade while in possession of Inside Information, but also, under certain circumstances, to (i) Insiders – also known as “Tippers” - who disclose Inside Information to third parties and (ii) third parties (such as relatives, friends or business associates – also known as “Tippees”) who receive Inside Information from Tippers and trade while in possession of that information.

This policy applies to your family members and others in your household. By “family member” we mean your spouse, partner, minor children, relative or other member of your immediate household to whose support you contribute or whose investments you control. You are responsible for ensuring the compliance of this policy by your immediate family and personal household.

What is Material Non-Public Information?

Material Information: any information that a reasonable investor would consider to be important in arriving at a decision to buy, sell or hold the stock of a company and/or would view its disclosure as altering the total mix of information about the issuer that is otherwise available.

Non-public Information: information that is not generally known to the public.

Examples: the following might be regarded as material and, if not disclosed, as non-public:

- Projections of future earnings or losses;
- News of a pending or proposed merger;
- Acquisition or tender offer;
- News of a significant sale of assets or the disposition of a subsidiary;
- Declaration of a cash dividend, stock dividend, stock split or the offering of additional securities;
- Changes in executive management;
- Significant new products or discoveries;
- Gain or loss of a substantial customer or supplier;
- Change in price/cost of services or products;
- Impending financial liquidity problems

²Note that under our Window Period Policy we have established a trading window and pre-clearance procedure for directors, officers and certain employees who are defined therein as “Restricted Persons.”

Either positive or negative information may be material. The foregoing list is not exhaustive; other types of information may be material at any particular time, depending on all of the circumstances.

Trading

Insiders must refrain from trading until Inside Information has been disclosed to the public, and the market has had sufficient opportunity to absorb and evaluate it. The Company's policy is that Insiders may not trade until three (3) full business days after the information has been generally released to the national media. A "business day" is any day on which trading on the national stock markets close. Thus, if the company issues a press release on a matter on a Monday before trading commences, then the Insider must wait until the passage of three full trading days – Monday, Tuesday and Wednesday – before executing a trade – that is, Thursday, at the soonest.

The Consequences of Insider Trading

For individuals who trade on material non-public information (or tip information to others) the following sanctions may be imposed:

- Disgorgement of profits gained or losses avoided and interest thereon;
- A civil penalty of up to three times the profit gained or loss avoided;
- For officers and directors – a bar from acting as an officer or director of a publicly traded company;
- A criminal fine (regardless of the size of the profit made) of up to \$1 million; and
- Jail time of up to 10 years.

These penalties may apply even if the individual is not a director, officer or senior manager.

For a company (as well as, in some cases, a supervisory person) that fails to take appropriate steps to prevent illegal trading, the following sanctions may be imposed:

- A civil penalty of the greater of \$1 million or three times the profit gained or loss avoided by the transaction;
- A criminal fine of up to \$2.5 million; and
- The likelihood of shareholder lawsuits and adverse publicity.

In addition to the potentially severe civil and criminal penalties for violation of insider trading laws, violation of this policy may result in the imposition of sanctions by the Company, including dismissal.

Window Periods

In addition to the restrictions set forth above, directors, senior management and certain employees who typically have access to material nonpublic information in the course of their employment may not trade AVD's stock except during a specific "window period" commencing three (3) business days after a public announcement of quarterly or annual earnings. The individuals restricted to the window period policy will receive a separate memorandum on the matter.

Reporting Violations

If you know or have reason to believe that the Company's Policy on Insider Trading has been or is about to be violated, then you should bring the matter to the attention of either the Chief Administrative Officer or the Chief Financial Officer.

Company Assistance

Any person who has questions on this policy or about specific transactions may obtain additional guidance from either the Company's Chief Administrative Officer or Chief Financial Officer. ***Remember, however, that the responsibility for adhering to this policy and avoiding improper transactions ultimately rests with you.***

Consent of Independent Registered Public Accounting Firm

American Vanguard Corporation
Newport Beach, California

We consent to the incorporation by reference in Registration Statement Nos. 333-125813, 333-102381, 333-76218, and 333-64220 on Form S-8 of our reports dated March 16, 2026, relating to the financial statements of American Vanguard Corporation (“the Company”) and the effectiveness of the Company’s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2025.

/s/ Deloitte & Touche LLP

Costa Mesa, California
March 16, 2026

AMERICAN VANGUARD CORPORATION
CHIEF EXECUTIVE OFFICER CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Douglas A. Kaye III, certify that:

1. I have reviewed this report on Form 10-K of American Vanguard Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the Company's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors:
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: March 16, 2026

/s/ Douglas A. Kaye III
Douglas A. Kaye III
Chief Executive Officer and Chairman of the Board

AMERICAN VANGUARD CORPORATION
CHIEF FINANCIAL OFFICER CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David T. Johnson, certify that:

1. I have reviewed this report on Form 10-K of American Vanguard Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the consolidated financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the Company's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors:
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: March 16, 2026

/s/ David T. Johnson

David T. Johnson
Chief Financial Officer and Principal Accounting Officer

AMERICAN VANGUARD CORPORATION
CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of American Vanguard Corporation (the "Company") on Form 10-K for the period ending December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned Chief Executive Officer and Chief Financial Officer of the Company hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002 that based on their knowledge (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (2) the information contained in the Report fairly represents, in all material respects, the financial condition and results of operations of the Company as of and for the periods covered in the Report.

/s/ DOUGLAS A. KAYE III

Douglas A. Kaye, III
Chief Executive Officer and Chairman of the Board

/s/ DAVID T. JOHNSON

David T. Johnson
Chief Financial Officer and Principal Accounting Officer

March 16, 2026

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to American Vanguard Corporation and will be retained by American Vanguard Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission as an exhibit to the Form 10-K and shall not be considered filed as part of the Form 10-K.
